MS-01 SOLVED ASSIGNMENT 2015

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Course Code	**:**	**MS-01**
Course Title	**:**	**Management Functions and Behaviour**
Assignment Code	**:**	**MS-01/TMA/SEM-I/2015**
Coverage	**:**	**All Blocks**

Note : Attempt all questions and submit this assignment on or before 30th April, 2015 to the coordinator of your study centre.

1. What are Management processes? Critically discuss the necessity of each managerial process and its logical sequencing in relation to other processes in an organisational set up. Explain with the help of your organizational experience, or the ones you are aware of. Briefly discuss the vital details of the organization, you are referring to.

2. What are the assumptions of different decision making models which either describe how decisions are made, or prescribe how decisions should be made? Identify varying degrees of knowledge under which the decisions are made, and explain with the help of organizational examples you are familiar with. Briefly describe the organization to help understanding the context, you are referring to.

3. Describe the process through which traditions and customs are maintained in any organization. Identify the factors that contribute to the uniqueness of each organization. Discuss the above concepts with the help of organizational examples, you have come across or you are familiar with. Briefly describe the organization/s you are referring to.

4. What is the process of communication, what are the intentional or unintentional barriers that prevent organizational communication/s to be effective? What a manager should do to make his communication effective in an organizational set up? Explain with relevant organizational examples and describe briefly the organization/s and the situation/s you are referring to.

5. Briefly describe various leadership styles. Is leadership a process of shared influence on the work group? Substantiate your answer with relevant organizational examples and/or cases you are familiar with or you have come across. Describe the organization/s and the context you are referring to.

Answer

1. What are Management processes? Critically discuss the necessity of each managerial process and its logical sequencing in relation to other processes in an organisational set up. Explain with the help of your organizational experience, or the ones you are aware of. Briefly discuss the vital details of the organization, you are referring to.

Ans.: Management processes are the methods that aid the structuring, investigation, analysis, decision-making and communication of business issues. Examples include the strategic planning process, talent planning, expense and capital budgeting, performance management systems, product planning and management cost accounting. The purpose of a management process is to ensure a disciplined and consistent approach to analysis and decision making. They facilitate the use of a logical thought process that is consistent with the objectives of the firm. The capital budgeting process, for example, is based on financial market disciplines that encourage wise investment. Product planning is focused on both creating customer value and realising the benefits of new products for the firm's investors, not one or the other.

Management processes should be seen as a support to and not a replacement for management judgment. These processes require the development of expectations about the future and provide guidance in light of the associated assumptions. The wise manager uses these tools as inputs to decision making which, when combined with business acumen, provide a solid basis for choice.

In most towns, restaurants come and go, but there are a few that manage to stay in business over long periods of time. Why do some succeed while so many others fail? Attention to customer-oriented product planning, service process effectiveness, workforce management, effective management accounting and other management processes are the likely differentiators.

Managers today are enamored of processes. It's easy to see why. Many modern organizations are functional and hierarchical; they suffer from isolated departments, poor coordination, and limited lateral communication. All too often, work is fragmented and compartmentalized, and managers find it difficult to get things done. Scholars have faced similar problems in their research, struggling to describe organizational functioning in other than static, highly aggregated terms. For real progress to be made, the "proverbial 'black box,' the firm, has to be opened and studied from within."1

Processes provide a likely solution. In the broadest sense, they can be defined as collections of tasks and activities that together — and only together — transform inputs into outputs. Within organizations, these inputs and outputs can be as varied as materials, information, and people. Common examples of processes include new product development, order fulfillment, and customer service; less obvious but equally legitimate candidates are resource allocation and decision making.

Over the years, there have been a number of process theories in the academic literature, but seldom has anyone reviewed them systematically or in an integrated way. Process theories have appeared in organization theory, strategic management, operations management, group dynamics, and studies of managerial behavior. The few scholarly efforts to tackle processes as a collective phenomenon either have been tightly focused theoretical or methodological statements or have focused primarily on a single type of process theory.

Yet when the theories are taken together, they provide a powerful lens for understanding organizations and management: First, processes provide a convenient, intermediate level of analysis. Because they consist of diverse, interlinked tasks, they open up the black box of the firm without exposing analysts to the "part-whole" problems that have plagued earlier research.3 Past studies have tended to focus on either the trees (individual tasks or activities) or the forest (the organization as a whole); they have not combined the two. A process perspective gives the needed integration, ensuring that the realities of work practice are linked explicitly to the firm's overall functioning.4

Second, a process lens provides new insights into managerial behavior. Most studies have been straightforward descriptions of time allocation, roles, and activity streams, with few attempts to integrate activities into a coherent whole.5 In fact, most past research has highlighted the fragmented quality of managers' jobs rather than their coherence. A process approach, by contrast, emphasizes the links among activities, showing that seemingly unrelated tasks — a telephone call, a brief hallway conversation, or an unscheduled meeting — are often part of a single, unfolding sequence. From this vantage point, managerial work becomes far more rational and orderly.

Operational and administrative processes share several characteristics. Both involve sequences of linked, interdependent activities that together transform inputs into outputs. Both have beginnings and ends, with boundaries that can be defined with reasonable precision and minimal overlap. And both have customers, who may be internal or external to the organization. The primary differences between the two lie in the nature of their outputs. Typically, operational processes produce goods and services that external customers consume, while administrative processes generate information and plans that internal groups use. For this reason, the two are frequently considered independent, unrelated activities, even though they must usually be aligned and mutually supportive if the organization is to function effectively. Skilled supply chain management, for example, demands a seamless link between a company's forecasting and logistics processes, just as successful new product development rests on well-designed strategy formation and planning processes.

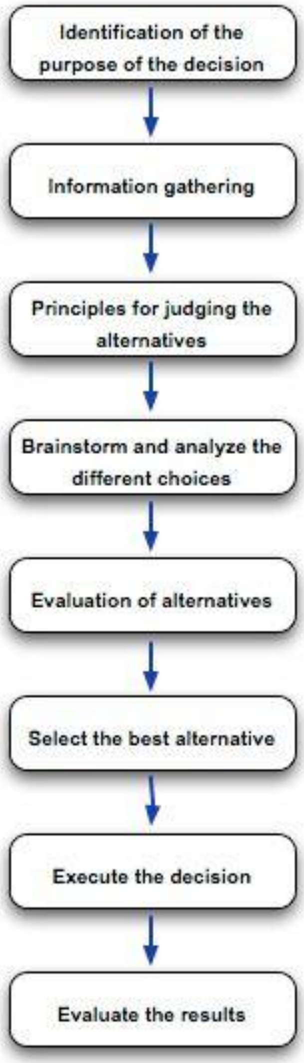
The work processes approach is probably most familiar to managers. It draws heavily on the principles of the quality movement and reengineering.6 Both focus on the need to redesign processes to improve quality, cut costs, reduce cycle times, or otherwise enhance operating performance. Despite these shared goals, the two movements are strikingly similar on some points, but diverge on others. The similarities begin with the belief that most existing work processes have grown unchecked, with little rationale or planning, and are therefore terribly inefficient. Hammer, for example, has observed: "Why did we design inefficient processes? In a way, we didn't. Many of our procedures were not designed at all; they just happened. . . . The hodgepodge of special cases and quick fixes was passed from one generation of workers to the next." The result, according to one empirical study of white-collar processes, is that value-added time (the time in which a product or service has value added to it, as opposed to waiting in a queue or being reworked to fix problems caused earlier) is typically less than 5 percent of total processing time.

To eliminate inefficiencies, both movements suggest that work processes be redesigned. In fact, both implicitly equate process improvement with process management. They also suggest the use of similar tools, such as process mapping and data modeling, as well as common rules of thumb for identifying improvement opportunities.9 First, flow charts are developed to show all the steps in a process; the process is then made more efficient by eliminating multiple approvals and checkpoints, finding opportunities to reduce waiting time, smoothing the hand-offs between departments, and grouping related tasks and responsibilities. At some point, "process owners" with primary responsibility for leading the improvement effort are also deemed necessary. Their role is to ensure integration and overcome traditional functional loyalties; for this reason, relatively senior managers are usually assigned the task.

2. What are the assumptions of different decision making models which either describe how decisions are made, or prescribe how decisions should be made? Identify varying degrees of knowledge under which the decisions are made, and explain with the help of organizational examples you are familiar with. Briefly describe the organization to help understanding the context, you are referring to.

Ans.: Decision-making is a cognitive process that results in the selection of a course of action among several alternative scenarios.Decision-making is a daily activity for any human being. There is no exception about that. When it comes to business organizations, decision-making is a habit and a process as well. Effective and successful decisions result in profits, while unsuccessful ones cause losses. Therefore, corporate decision-making is the most critical process in any organization. In a decision-making process, we choose one course of action from a few possible alternatives. In the process of decision-making, we may use many tools, techniques, and perceptions. In addition, we may make our own private decisions or may prefer a collective decision. Usually, decision-making is hard. Majority of corporate decisions involve some level of dissatisfaction or conflict with another party.

Following are the important steps of the decision-making process. Each step may be supported by different tools and techniques.



Organisational behaviour (OB) is defined as the study of human behaviour in organisational contexts, with a focus on individual and group processes and actions (Brooks, 2003). The modern study of OB can be traced back to Frederick Winslow Taylor's seminal work The Principles of Scientific Management (1911), wherein he described how application of the scientific method to management could improve worker productivity. Though the study of OB arose in the management sciences and is located within them today, organisational behaviour has roots in many traditional disciplines including psychology, social psychology, sociology, anthropology, political science and economics. Organisational behaviour as an academic field continues to be partly informed by research and debate arising in the aforementioned traditional subject disciplines.

OB's various dimensions are often divided into micro, macro, and meso scales. The London Business School, summarises the micro themes as the psychological principles that govern the exercise of leadership, motivation, decisionmaking, negotiation, and creativity. Macro themes constitute the sociological, cultural and institutional factors shaping organisational structures and systems, inter-organisational relationships, and networks. Finally, bridging micro and macro levels of analysis are "meso" factors such as teamwork, group dynamics, and organisational culture, among others (LBS, 2007). Three dominant overarching themes in OB are management of change, communication, and conflict (Brooks, 2003). These three areas influence an organisation's competitiveness and ability to meet its objectives.

Effectiveness of EA cannot be considered in isolation from identity and application of EA. The identity of EA will define its purpose and objectives against which to gauge effectiveness while the application of EA needs to be understood towards optimizing effectiveness potential or providing reasons for ineffectiveness. The different and often confusing terminology used in the EA literature when dealing with effectiveness has hampered progress. When engaging with the effectiveness debate it is important to be aware of the relevant terminology and to conceptualise enquiries accordingly. A number of conceptual frameworks have been developed to structure performance evaluation enquiries. The main areas of agreement are that firstly effectiveness review deals with different levels (meta, macro and micro) and secondly that a clear distinction needs to be made between 'input quality' and 'output effectiveness'. The litmus test for effectiveness is whether the EA has had influence on decision making. This broad aim has been refined into more detailed sets of criteria. It is, however, acknowledged that criteria usually need to be adapted for different contexts and that there is no one size fits 134all. Empirical evidence suggests that the litmus test for EA has not been fully realized in practice and that EA struggles to penetrate and influence decision making processes and outcomes. However, the mixed success achieved by EA has prompted researchers to also explore other more 'indirect' effects such as information generation and sharing, capacity building and training as well as influencing changes in institutional values and priorities. A wealth of literature exist dealing with EA best practice aimed at improving effectiveness. However, very little research has been conducted to deal with causality between the EA 'inputs' and 'outputs'. This is also the question raised by the transport minister to his advisor at the start of this chapter. We need to understand the effects of EA in relation to the inputs. Without this understanding, the EA fraternity will find it increasingly difficult to justify the need for EA to skeptical politicians and decision makers.

3. Describe the process through which traditions and customs are maintained in any organization. Identify the factors that contribute to the uniqueness of each organization. Discuss the above concepts with the help of organizational examples, you have come across or you are familiar with. Briefly describe the organization/s you are referring to.

Ans.: An organization, by its most basic definition, is an assembly of people working together to achieve common objectives through a division of labor. People form organizations because individuals have limited abilities. An organization provides a means of using individual strengths within a group to achieve more than can be accomplished by the aggregate efforts of group members working individually. Business organizations (in market economies) are formed to profit by delivering a good or service to consumers.

Over the years there have been countless theories and models of how business organizations function and what their essential characteristics are. One widely held view, for example, is that at their core organizations are information processing systems, where information includes knowledge about products, markets, production methods, management techniques, finance, laws, and the many other factors involved in running a business. A successful organization, the theory goes, acts on relevant information and ignores the irrelevant. Ultimately, the organization that excels at processing information facilitates learning and the development of new knowledge. Other models of organizations focus on traits such as power and subordination, culture and adaptation, and efficiency.

Organization theory is examined here primarily from a historical perspective that briefly summarizes its evolution. The open-systems theory—the dominant school of thought throughout most of the 20th century—is examined in greatest detail, while organizational characteristics and structures are also reviewed.

Modem organization theory is rooted in concepts developed during the Industrial Revolution in the late 19th and early 20th centuries. Of import during that period was the research of Max Weber (1864-1920), a German sociologist. Weber believed that bureaucracies, staffed by bureaucrats, represented the ideal organizational form. Weber based his model bureaucracy on legal and absolute authority, logic, and order. In it, responsibilities for workers are clearly defined and behavior is tightly controlled by rules, policies, and procedures. In effect, Weber's bureaucracy was designed to function like a machine; the organization was arranged into specific functions, or parts, each of which worked in concert with the other parts to form a streamlined process.

Weber's theories of organizations, like others of the period, reflected an indifferent and impersonal attitude toward the people in the organization. Indeed, personal aspects of human behavior were considered unreliable and were viewed as a potential detriment to the efficiency of any system. Humans were likened to a bundle of skills that could be inserted into the system like a cog in a machine. Although his theories are now considered mechanistic and outdated, Weber's views on bureaucracy provided important insight into process efficiency, division of labor, and hierarchy of authority.

Another important contributor to organization theory in the early 1900s was Henri Fayol. He is credited with identifying four basic managerial functions that characterize successful organizations:

- Planning—thinking before acting
- Organizing—setting up policies and procedures that regulate employee behavior
- Staffing—recruiting a suitable work force
- Controlling—motivating workers to pursue the goals of the organization

Weber's and Fayol's theories found broad application in the early and mid-20th century, largely as a result of the work of Frederick W. Taylor (1856-1915). In a 1911 book entitled Principles of Scientific Management, Taylor outlined his theories and eventually implemented them on American factory floors. Taylor's theory of scientific management mimicked the four basic managerial functions identified by Fayol, and adopted the same basic attitudes about process efficiency championed by Weber. Although elements of Taylor's research and findings have been criticized, he is credited with helping to define the role of training, wage incentives, employee selection, and work standards in organizational performance.

Researchers began to adopt a less mechanical view of organizations and to pay more attention to human influences in the 1930s. This development was motivated by several studies, particularly the Hawthorne experiments that shed light on the function of human fulfillment in organizations. Primarily under the direction of Harvard University researcher Elton Mayo, the Hawthorne Experiments were conducted in the mid 1920s and 1930s at a Western Electric Company plant known as the Hawthorne Works. The company wanted to determine the degree to which working conditions affected output.

Surprisingly, the studies failed to show any significant positive correlations between workplace conditions and productivity. In one study, for example, worker productivity escalated when lighting was increased, but it also increased when illumination was decreased. The results of the studies demonstrated that innate forces of human behavior may have a greater influence on organizations than do mechanistic incentive systems. The legacy of the Hawthorne studies and other organizational research efforts of that period was an emphasis on the importance of individual and group interaction, humanistic management skills, and social relationships in the workplace.

The focus on human influences in organizations was reflected most noticeably by the integration of Abraham Maslow's "hierarchy of human needs" into organization theory. Maslow's theories had two important implications for organization theory: (1) people have different needs and are therefore motivated by different incentives to achieve organizational objectives; and (2) people's needs change predictably over time, meaning that as the needs of people lower in the hierarchy are met, new needs arise. These assumptions led to the recognition, for example, that assembly-line workers could be more productive if more of their personal needs were met, whereas past theories suggested that monetary rewards were the sole, or primary, motivators.

4. What is the process of communication, what are the intentional or unintentional barriers that prevent organizational communication/s to be effective? What a manager should do to make his communication effective in an organizational set up? Explain with relevant organizational examples and describe briefly the organization/s and the situation/s you are referring to.

Ans.: Communication is the sharing or exchange of thought by oral, written, or nonverbal means. To function effectively, managers need to know and be able to apply strategically a variety of communication skills that match varying managerial tasks. These tasks might call for nonverbal, presentational, or written skills as the manager meets others, speaks at meetings, or prepares reports to be read by clients or those higher on the organizational ladder. To work effectively, managers also need to know sources of information. Finally, managers need to understand the different communication channels available.

Information, the lifeblood of any organization, needs to flow freely to be effective. Successful management requires downward communication to subordinates, upward communication to superiors, and horizontal communication to peers in other divisions. Getting a task done, perhaps through delegation, is just one aspect of the manager's job. Obtaining the resources to do that job, letting others know what is going on, and coordinating with others are also crucial skills. These skills keep the organization working, and enhance the visibility of the manager and her division, thus ensuring continued support and promotion.

Downward communication is more than passing on information to subordinates. It may involve effectively managing the tone of the message, as well as showing skill in delegation to ensure the job is done effectively by the right person. In upward communication, tone is even more crucial, as are timing, strategy, and audience adaptation. In neither case can the manager operate on automatic as the messages are sent out.

At first glance the communication process, or the steps taken to get message from one mind to another, seems simple enough. As the definition at the opening suggested, the sender has an idea, which he transmits to the receiver through signs—physical sensations capable of being perceived by another. These signs might be a printed or spoken word, a gesture, a hand-shake, or a stern look, to name just a few. The receiver takes those signs, interprets them and then reacts with feedback.

The process is more complex, though. When communicating, the sender encodes the message. That is, she chooses some tangible sign (something which can be seen, heard, felt, tasted, or smelled) to carry the message to the receiver. The receiver, in turn, decodes that message; that is, he finds meaning in it. Yet the signs used in messages have no inherent meaning; the only meaning in the message is what the sender or receiver attributes to it.

To make sense out of a message, to determine the meaning to attribute to it, the receiver uses perception. With perception, the receiver interprets the signs in a communication interaction in light of his past experience. That is, he makes sense out of the message based on what those signs meant when he encountered them in the past. A firm, quick handshake, for example, may signal "businesslike" to someone because in the past he found people who shook hands that way were businesslike.

To set the stage for information and message flow through an organization, let's review the basic elements of the communication process. These elements include: someone to send the message (the encoder), some means for channeling it, someone to receive it (the decoder), and a feedback mechanism. A multiplicity of encoders, channels, decoders, and feedback mechanisms can be used. However, for the information in a message to be processed clearly, quickly, and with a minimum amount of degradation, management must establish clear, formal communication channels.

Let's assume the message to be transmitted originates with the manager, or that he is serving as the agent for passing along a message from another source. Regardless of the source, the message passes through his (the sender's) filter before it reaches the intended recipient. The sender injects his attitudes and perceptions into the message; determines who should receive it; and the channels through which it should flow, i.e., upward, down-ward, laterally, or a combination of these. The attitudes and perceptions of the recipient, of course, influence the message translation, as well as the feedback he provides. Peter Drucker, noted exponent of good management practices, says:

"The manager has a specific tool: information. He doesn't "handle" people, but instead he motivates, guides, organizes people to do their own work. His tool - the only tool - to do all this is the spoken or written word or the language of numbers. It does not matter whether the manager's job is engineering, accounting, or spelling. To be effective, a manager must have the ability to listen and to read, and the ability to speak and to write. Managers need skill in getting their thinking across to other people."

One of the major functions of the communication process in an organization is effective coordination. Information available within the various functional groups is normally routed to key decision centers. It must be complete, accurate, and timely. When decisions are made, they must be transmitted to all concerned groups within the organization. The messages containing the decisions must be clear and precise. The success of the response to each message is dependent upon the preciseness of the original message, the communication channel used for transmitting it, the interpretation and understanding of the receiver, and the channel selected for transmitting the feed back. Lawrence Appley states: "There is little risk of over- simplification in saying that good managers are good communicators; poor managers are usually the opposite. If an individual has a sincere desire to clarify his thinking, there is no better way to do it than to put it in writing."

5. Briefly describe various leadership styles. Is leadership a process of shared influence on the work group? Substantiate your answer with relevant organizational examples and/or cases you are familiar with or you have come across. Describe the organization/s and the context you are referring to.

Ans.: Different types of leadership styles exist in work environments. Advantages and disadvantages exist within each leadership style. The culture and goals of an organization determine which leadership style fits the firm best. Some companies offer several leadership styles within the organization, dependent upon the necessary tasks to complete and departmental needs.

- **Laissez-Faire:** A laissez-faire leader lacks direct supervision of employees and fails to provide regular feedback to those under his supervision. Highly experienced and trained employees requiring little supervision fall under the laissez-faire leadership style. However, not all employees possess those characteristics. This leadership style hinders the production of employees needing supervision. The laissez-faire style produces no leadership or supervision efforts from managers, which can lead to poor production, lack of control and increasing costs.

- **Autocratic:** The autocratic leadership style allows managers to make decisions alone without the input of others. Managers possess total authority and impose their will on employees. No one challenges the decisions of autocratic leaders. Countries such as Cuba and North Korea operate under the autocratic leadership style. This leadership style benefits employees who require close supervision. Creative employees who thrive in group functions detest this leadership style.
- **Participative:** Often called the democratic leadership style, participative leadership values the input of team members and peers, but the responsibility of making the final decision rests with the participative leader. Participative leadership boosts employee morale because employees make contributions to the decision-making process. It causes them to feel as if their opinions matter. When a company needs to make changes within the organization, the participative leadership style helps employees accept changes easily because they play a role in the process. This style meets challenges when companies need to make a decision in a short period.
- **Transactional:** Managers using the transactional leadership style receive certain tasks to perform and provide rewards or punishments to team members based on performance results. Managers and team members set predetermined goals together, and employees agree to follow the direction and leadership of the manager to accomplish those goals. The manager possesses power to review results and train or correct employees when team members fail to meet goals. Employees receive rewards, such as bonuses, when they accomplish goals.
- **Transformational:** The transformational leadership style depends on high levels of communication from management to meet goals. Leaders motivate employees and enhance productivity and efficiency through communication and high visibility. This style of leadership requires the involvement of management to meet goals. Leaders focus on the big picture within an organization and delegate smaller tasks to the team to accomplish goals.

Studies of leadership styles are diverse in nature and multiple definitions have been offered. However, leadership style can be defined broadly as the manner and approach of providing direction, implementing plans, and motivating people.

Bases of power refer to the methods that managers and leaders utilize to influence their employees. When examining bases of power, the concept of authority must also be considered. These two are interconnected attributes tied to the behavior of superiors over subordinates. In their article, "Are There No Limits To Authority?", David Knights and Darren McCabe explain that "power should be understood to be a condition of social relations. Thus, it is erroneous to ask who has power. Instead, it is necessary to explore how power is exercised."

In turn, the nature of how power is exercised is a workable definition for authority. In short, authority and power are intertwined, with power being the ability to do things or have others do what one has ordered while authority is the foundation on which that power is built.

Leadership can be observed at several levels: groups, teams, programs, agencies, communities, societies/countries, and even worldwide (e.g., international affairs). The focus here will be on program/agency leadership: organizational leadership for organizational performance. Another important aspect of the leadership context in the human services is the growing emphasis on evidence-based practice. This plays out in two ways in a discussion of leadership. First, in its traditional usage, evidence-based methods should be used by leaders in the design and implementation of the programs of their agencies. Second, evidence-based practice principles can be used in assessing the theories, models, and practice guidelines for leadership. The newly emerging field of evidence-based management is an example of this application (Pfeffer & Sutton, 2006; Rousseau, 2006). When leadership models and principles are discussed below, the relevant empirical literature will be cited wherever possible.

The leadership in the 20th century essentially began with the trait approach. While this perspective is now seen as incomplete, there has been recent renewed interest in characteristics of effective leaders. In spite of the questionable premise of trait theory as originally conceived, recent research has identified some traits associated with effective leaders: intelligence, self-confidence, determination, integrity, and sociability. In an extensive review of the trait research, Yukl (2006) found several traits that were related to leadership effectiveness: a high energy level and tolerance for stress, self-confidence (including self-esteem and self-efficacy), an internal locus of control orientation, emotional stability and maturity, and personal integrity. Other factors identified by Yukl included emotional intelligence, including self-awareness, empathy, and self-regulation (the ability to effectively channel emotions and behavior), and social intelligence, including the ability to understand needs and processes in a situation and behavioral flexibility in adapting to these situational requirements. Systems thinking and the ability to learn are also seen as important.