***Chapter 3 Summary Question Solutions***

1. Definitions. Where possible, the following definitions are those included in the body of Chapter 3.
   1. management: management is the process of leading, encouraging and assisting other people towards the achievement of a set of shared objectives.

*The management team is responsible for establishing objectives and formulating strategies for achieving those objectives.*

* 1. management style: the manner and approach of providing direction, implementing plans and motivating people.

*Jerry’s easy-going nature is part of his management style. He sets the objectives, budgets and time limits and then leaves his employees alone determine the best way to achieve the goals.*

* 1. autocratic management style: management style where all decision-making is centralized, there is little delegated authority and communication is one way – downward.

*Alison is the type of manager that tells you exactly what you are required to do (and how), and then checks up on you frequently to make sure you are doing things exactly as directed. She is not interested in your ideas. She is an autocratic manager.*

* 1. persuasive management style: managers make the decisions then persuade workers of the benefits of those decisions.

*Callum is the kind of manager that makes all of the decisions. However, he does takes the time to explain the reasons behind his decisions in order to get everyone on board. This makes him a persuasive manager.*

* 1. consultative management style: manager consults with employees when discussing and issue; however, the ultimate decision is made by the manager based on the suggestions and input received.

*Jessica likes to consult the whole team when an important decision needs to be made. We listen to her thoughts and then she asks us for our ideas. She values our skills and experience and acknowledges that we may be able to contribute to solving problems. She takes our ideas and then uses them to make a final decision.*

* 1. participative management style: decision-making is performed as a team with management and staff working together with the manager retaining responsibility and accountability.

*We are a team of advertising professionals. Although Angie is our manager, we really work together to solve client issues and fulfill a design brief. Angie believes that this is the best way to tap into our collective creativity. However, ultimately Angie is the one that is responsible for the success of failure of the product that we produce.*

* 1. laissez-faire management style: a leadership style that leaves the majority of decision making and running of the business operation to the employees.

*Charlotte manages a team of scientists working on a new vaccine. She provides her team with the parameters for their work – their overall objectives, a budget and a time frames. As Phd Scientists, Charlotte’s employees know what they need to do, and how, in order to work towards achieving their objective. Thus, Charlotte leaves them to work without her close supervision and just checks in on them from time to time.*

* 1. situational/contingency management approach: use of a range of variables to determine the most appropriate management style requires to attain organizational goals in different types of situations.

*Alexander is usually a participative manager. However, when Alexander discovered the need to undertake a product recall, he acknowledged the situation as critical, and adopted an autocratic approach.*

* 1. skills: the ability to do something well gained through training and experience.

*Janice is a skilled public speaker.*

* 1. communication: a process of creating and exchanging information between people that produces the required response.

*Thomas understood exactly what Kimberley asked him to do. Kimberley communicated the instructions in a clear and concise manner.*

* 1. delegation: passing of authority down the hierarchy to perform tasks or make decisions; responsibility remains with the person delegating.

*Andrew is going to be out of the office this afternoon. He has delegated responsibility for receiving and recording stock to Mathew and I.*

* 1. planning: a formalized decision-making process that is future oriented.

*The senior management team is currently planning the expansion of our business into New South Wales and South Australia.*

* 1. leading: the skill of a manager when guiding workers towards achieving the goals of the business.

*Victoria is a good leader. She knows all of her employees and acts as a mentor. She leads by example, setting the standard for behaviour in the organisation.*

* 1. decision-making: a multi-step approach whereby a selection is made between a range of different alternatives.

*Eloise chose the supplier after going through a decision-making process. She examined all of the potential suppliers by considering the prices they offered, their locations and logistics strategies and back-up supply options. Weighing these factors helped her to choose the best supplier for our needs.*

* 1. interpersonal: those skills used every day to communicate and interact with people, both individually and in groups.

*Craig lacks interpersonal skills. Although he has brilliant coding skills, he lacks the ability to talk easily and freely with his subordinates. This makes it difficult to develop a positive group culture.*

* 1. time management: the efficient utilisation of work time which involves setting and prioritizing tasks, allocating time and avoiding time-wasting activities.

*Mary has excellent time management skills. When faced with multiple tasks and time constrains, she is able to identify, prioritise and complete the most important task.*

* 1. stress management: skills required by a manager to reduce the level of stress/distress in both themselves and their subordinates

*Leon is good at stress management. When he senses that his employees are feeling stressed about tasks and timeframes, he calls a team meeting to help the group identify which tasks should be prioritized, and which tasks should be moved to the ‘back burner’ for later.*

* 1. analytical skills: the ability to analyse or study the nature of a given situation or set of circumstances.

*Tim is an analytical thinker. He is able to consider a complex problem, identify the causes, understand how they interact and visualize a potential solution.*

* 1. technical skills: represent a manager’s ability, knowledge of, and proficiency in a specialized field e.g., accounting, IT, finance.

*As a surgeon, Alice has particular technical skills that enable her to perform complex procedures, safely.*

* 1. effective management: effective management is the process of achieving a set of established objectives through leading, encouraging and assisting the work of others.

*Ida’s effective management helped increase sales by 20% year on year.*

1. COMDAC table

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|  | Control | Orientation | Motivation | Decision making | Attitude | Communication |
| Autocratic | Centralised | Task | Money | Centralised | Value production and efficiency | One-way (top-down) |
| Persuasive | Centralised | Task | Money | Centralised | Places some value on employee contribution | One-way (top-down) |
| Consultative | Centralised, but less so than A or P. | Balance between task and people oriented | Employees be motivated by responsibility and participation. | Centralised but more balanced | Values employee contribution. | Two-way |
| Participative | Decentralised | People | Employees have a broad range of needs that motivate behaviour. | Decentralised | Employees should share in the decision making and problem solving. | Two-way |
| Laissez-faire | Decentralised | People | Employees are self-motivated by the desire to achieve an objective. | Decentralised | Employees are given responsibility to solving problems and making decisions on their own. | Two-way |

1. Advantages and disadvantages

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|  | Advantages | Disadvantages |
| Autocratic | * Fast decision making * Experienced leader in charge. * Communication is direct. * Tasks defined and monitored * Suits high-risk situations. | * Quick decisions can mean poor results. * Discourages teamwork. * Devalues employees. * Treats employees as ‘inputs’. * Generates low motivation. * Generates low job satisfaction. * Creates an ‘us and them’ attitude. |
| Persuasive | * Fast decision making * Suits high-risk situations. * Employees understand the reasons for particular action being taken. | * Does not value teamwork. * Alienates employees. * May miss valuable ideas. * Produces low motivation and job satisfaction. |
| Consultative | * Gain a variety of ideas * Employee involvement * Motivates employee contribution. | * Employees may lack skill and experience to effectively contribute. * Time consuming. * Employees may resent process if their ideas are not used. |
| Participative | * Demonstrates trust in employees * Increased morale. * Provides sense of ownership. * Improved decision making * Improved communication * Opportunities for development * Develops relationships. * Develops shared vision. | * Conflict may arise between employees who disagree. * Some may lack the confidence to participate in decision making. * Some may resent being asked to participate in decision making. * Time consuming |
| Laissez-faire | * Employee independence. * Employee empowerment. * Job satisfaction. * Fosters creativity. * Encourages communication. * Encourages team work. | * Responsibility may make some feel uncomfortable. * Lack of guidance may mean some lose direction. * Does not suit employees who are unskilled or require structure and direction to be productive. |

1. Autocratic manager – Key skills

*Communication* – An autocratic manager is required to dictate decisions and explain tasks and processes. Their proficiency in this skill will determine whether objectives are achieved.

*Delegation* – An autocratic manager has to understand the skills and experience of each if his or her employees and delegate them an appropriate task in order for the overall objective to be achieved.

1. Participative manager – Key skills

*Interpersonal skills* – A participative manager works *with* his or her employees to solve problems and make decisions. Therefore, he or she needs to understand each of their employees and interact with them in an appropriately positive and productive way to encourage and support their work.

*Leading* – A participative manager needs to behave as a role model within the group they are working with. The team members will be relying on the manager to take the lead, encourage contribution, and support efforts.

1. The situational management approach

An organisation that wants to be effective in achieving its goals and objectives must be flexible in the style of management it adopts. The appropriate management style for a given situation depends on the particular manager’s personality, skills and experience, the characteristics of the employees involved, the tasks that require completion, the time frame involved. For example, in an emergency situation where time is critical, it may be useful to use the autocratic or persuasive style where one senior person makes the decision and dictates it to the rest of the organisation. In another situation where time is abundant and creative solutions are required, a manager might choose to adopt a participative or laissez-fair approach that more intensively harnesses the ideas and contributions of employees. Each management style has its uses. The right style to use depends on the situation at hand. Choosing the right style for the right situation will help an organisation achieves its objectives.