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Section

B

Program

BS SE

Sessional Assignment

Principal of Management

Q1: How can you prepare yourself to become an effective manager in an increasingly uncertain and global business environment?

Answer:

For you to be successful in the global business environment you need to be aware and efficient in all aspects of management relating to the internal and external environments. The internal environments factors that you should be aware of are your culture, management, and employees. Culture is the set of key values, beliefs, understandings, and norms shared by members of an organization. Management as we know refers to the attainment of organization goals in an effective and efficient manner through planning, leading, organizing, and controlling organizational resources. Employees are the labor that drives the company, without these basics the company would fail. Next we need to look at the External Environment in both the general and task environments. The task environment is close to the organizations and includes the sectors that conduct day-to-day transactions with the organization and directly influence the basic operations and performance. These involve customers, suppliers, competitors, and the labor market. Customers are the people and organizations in the environment that acquire goods or services from the organization. Competitors are the organizations in the same industry or type of business that provide goods or services to the same set of customers. Suppliers provide the raw materials the organization uses to produce its output. Lastly, the labor market represents people in the environment that can be hired to work for the organization.

The last external environment is the general environment, which affects organizations indirectly. These involve International,

Legal/Political, Economic, Sociocultural, Natural, and Technological dimensions. The international dimension represents events originating in foreign countries as well as opportunities for U.S. companies in other countries. This perspective provides new competitors, customers, and suppliers and shapes social, technological, and economic trends. The technological dimension includes scientific and technological advancements in a specific industry as well as in society at large. The sociocultural dimension represents the demographic characteristics as well as the norms, customs, and values of the general population. The economic dimension represents the general economic health of the country or region in which the organization operates. The legal/political dimension includes government regulations at the local, state, and federal levels, as well as political activities designed to influence company behavior. The natural dimension includes all elements that occur, natural on earth.

Q2: Explain the difference between efficiency and effectiveness and their importance for organizational performance?

Answer:

Efficiency and effectiveness are both commonly used management terms. Yet, while they sound similar and start with the same letters, they both mean different things.

Efficiency refers to doing things in a right manner. Scientifically, it is defined as the output to input ratio and focuses on getting the maximum output with minimum resources. Effectiveness, on the other hand, refers to doing the right things. It constantly measures if the actual output meets the desired output.

Since efficiency is all about focusing on the process, importance is given to the 'means' of doing things whereas effectiveness focuses on achieving the 'end' goal.

Efficiency is concerned with the present state or the 'status quo'. Thinking about the future and adding or eliminating any resources might disturb the current state of efficiency. Effectiveness, on the other hand, believes in meeting the end goal and therefore takes into consideration any variables that may change in the future.

In order to be efficient time and again, discipline and rigor is required. This can build inflexibility into the system. Effectiveness, on the other hand, keeps the long term strategy in mind and is thus more adaptable to the changing environment.

Since efficiency is about doing things right, it demands documentation and repetition of the same steps. Doing the same thing again and again in the same manner will certainly

discourage innovation. On the other hand, effectiveness encourages innovation as it demands people to think, the different ways they can meet the desired goal.

Efficiency will look at avoiding mistakes or errors whereas effectiveness is about gaining success.

In the earlier days of mass production, efficiency was the most important performance indicator for any organization. However, with consumers facing an increasing number of choices, effectiveness of an organization is always questioned. In order to be a successful organization, there needs to be a balance between effectiveness and efficiency. Only being efficient and not meeting the requirements of the stakeholders of the organization is of little use to anybody. And effectiveness may result in success but at what cost?

Summary:

1. Efficiency means doing the things right whereas Effectiveness is about doing the right things.

2. Efficiency focuses on the process or 'means' whereas

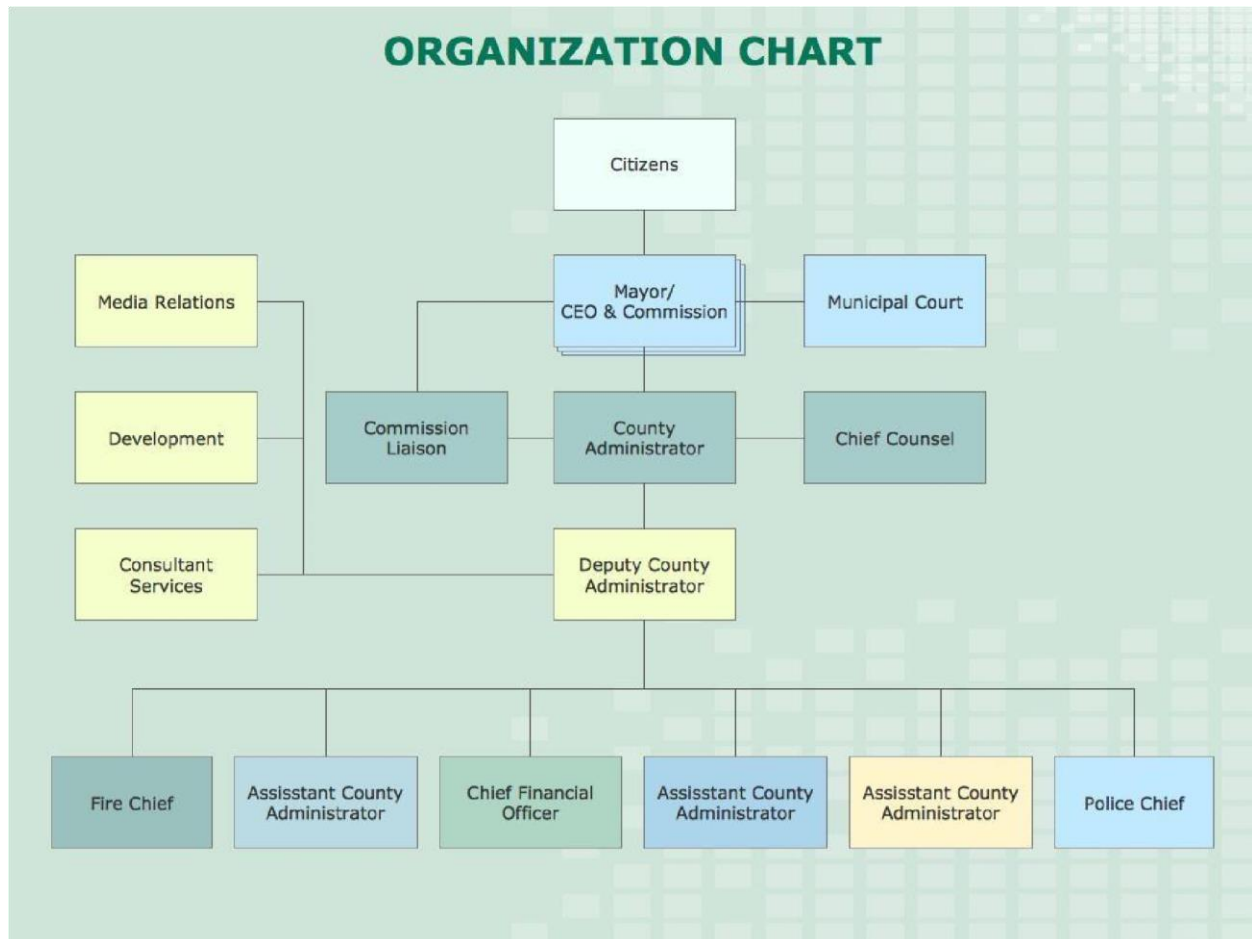
Effectiveness focuses on the end. 3. Efficiency is restricted to the present state whereas effectiveness involves thinking long term.

4. Organizations have to be both effective and efficient in order to be successful.

Q3: Draw organogram/organization chart of any organization and explain the role of First line manager, middle line manager, and Top level manager from this chart?

Answer:

An organizational chart, or organogram, is a diagram that shows how an organization is structured, and how the positions in the organization are related to each other.



Role of First line manager:

First-line managers operate their departments. They assign tasks, manage work flow, monitor the quality of work, deal with employee problems, and keep the middle managers and executive managers informed of problems and successes at ground level in the company. While executive managers are planning overall corporate strategy, and middle managers are establishing budgets and planning how to carry out corporate strategy, the first-line manager is managing the people who

perform the work that produces the company's products and services.

RESPONSIBILITIES:

The primary role of the executive team, or the top-level managers, is to look at the organization as a

Whole and derive broad strategic plans. Company policies, substantial financial investments, strategic

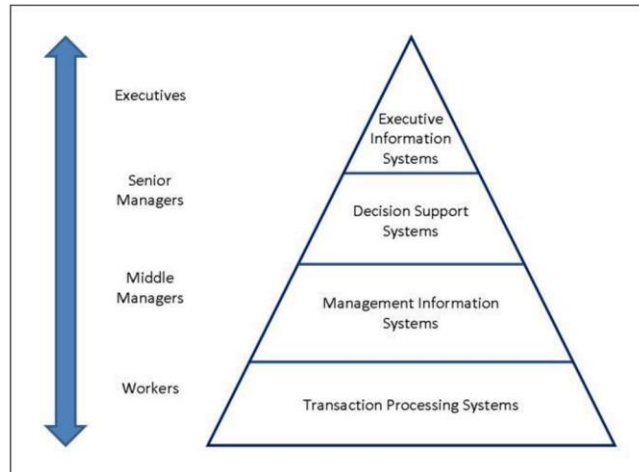
Alliances, discussions with the board, stakeholder management, and other top-level managerial tasks

Are often high-risk high return decision-making initiatives in nature? Top-level management roles are therefore often high stress and high influence roles within the organization.

Middle line manage:

Middle management is the intermediate management level accountable to top management and responsible for leading lower level managers.

Middle management is the intermediate leadership level of a hierarchical organization, being subordinate to the senior management but above the lowest levels of operational staff. For example, operational supervisors may be considered middle management; they may also be categorized as non-management staff, depending upon the policy of the particular organization.



Middle-Management Roles

Middle-level managers can include general managers, branch managers, and department managers. They are accountable to the top-level management for their department's function, and they devote more time to organizational and directional functions than upper management. A middle manager's role may emphasize:

- Executing organizational plans in conformance with the company's policies and the objectives of the top management;
- Defining and discussing information and policies from top management to lower management;
- Most importantly, inspiring and providing guidance to lower-level managers to assist them in performance improvement and accomplishment of business objectives

Middle Management Role:

- Designing and implementing effective group work and information systems
- Defining and monitoring group-level performance indicators
- Diagnosing and resolving problems within and among work groups Designing and implementing reward systems

Top-Level Manager:

The board of directors, president, vice-president, and CEO are all examples of top-level

Managers. These managers are responsible for controlling and overseeing the entire organization. They develop goals, strategic plans, company policies, and make decisions on the direction of the business.

High level managers tend to have a substantial amount of experience, ideally across a wide variety of

Functions. Many high-level managers become part of an executive team by mastering their functional

Disciplines across various roles, becoming the Chief Operations Officer (COO),

Chief Marketing

Officer (CMO), Chief Technology Officer (CIO or CTO), Chief Financial Officer

(CFO) or Chief

Executive Officer (CEO).

Top management teams are also often industry experts, having a close association with the long term

Trajectory of the businesses they operate in. They often benefit from being charismatic, powerful communicators with a strong sense of accountability, confidence, integrity, and a comfort with risk.

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