

CHAPTER II

THE FUNCTIONS OF THE MANAGER

Stemming from the work of Henri Fayol, the functional approach to management focuses upon the managerial activities that have to be carried out in order to achieve organizational objectives. In this chapter we consider the characteristics of the major management functions of planning, organizing, directing, and controlling. There is no universal agreement regarding which activities constitute the major management functions, but these four are listed by the large majority of writers in the field. Along these lines, some have added the function of "staffing" to this list. Fayol himself identified a fifth function he called "coordinating", and in the last section of this unit we discuss why coordinating is better considered an objective of management rather than a function of management. The four major functions described in this chapter serve as the principal basis for organizing the topics in the remainder of this book, and therefore the ideas introduced in this chapter are more fully developed in later chapters.

A. THE FUNCTIONAL APPROACH TO MANAGEMENT

In addition to focusing upon what managers do, the functional approach to the study of management emphasizes the universal applicability of the functions. Thus, whether in a small business firm, a governmental agency, or a large corporation, whether on the general management level or in a specialized area of work, all managers are involved in carrying out the functions of planning, organizing, directing, and controlling.

1. Universal applicability and the focusing upon what managers do is descriptive of the _____ approach to studying the process of management.

FUNCTIONAL

2. Management functions should not be confused with organizational functions. Thus finance, production, and sales are examples of _____ functions, whereas planning, organizing, directing, and controlling are _____ functions.

ORGANIZATIONAL
MANAGEMENT

3. Is a manager whose area of activity is restricted to one organizational function, such as production, nevertheless concerned with the several management functions? (Yes/No)

YES

4. Figure 2.1 illustrates the relationship between some representative organizational functions and the management functions. The figure indicates, for example, that a manager who has a primary assignment the organizational function of production can effectively carry out this assignment by appropriate use of the management functions of _____, _____, and _____.

- PLANNING
- ORGANIZING
- DIRECTING
- CONTROLLING

5. Viewed the other standpoint. Figure 2.1 indicates that effective planning for a firm as a whole requires planning for each of the _____ functions represented in that firm.

ORGANIZATIONAL

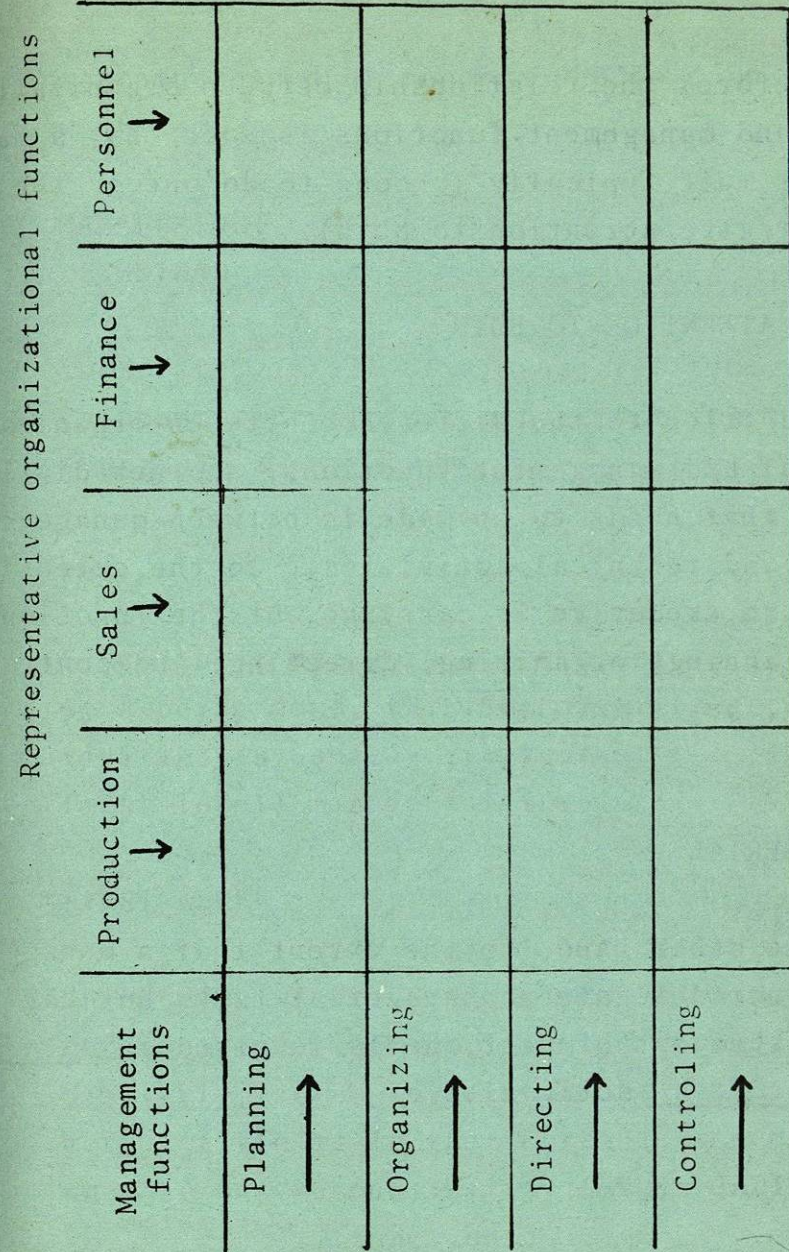


Figure 2.1 The relationship between organizational functions and management functions.

6. Therefore, the relationship between organizational and management functions is such that a manager must typically (choose to do one or the other/give attention to both).

GIVE ATTENTION TO BOTH

7. In addition to the difference between organizational and management functions, another distinction that needs to be made is between managerial and technical activities. To the extent that an executive is carrying out the functions of planning, organizing, directing, and controlling, he is involved in _____ activities.

MANAGERIAL

8. On the other hand, to the extent that a manager does not delegate nonmanagerial tasks but carries them out himself, he is involved in _____ activities.

TECHNICAL

9. When a senior accountant directs the efforts of a group of junior accountants, he is performing _____ work. When he himself audits -

certain record or reports, he is doing _____ work.

MANAGERIAL
TECHNICAL

10. Therefore, is all of a manager's time necessarily spent carrying out management functions? (Yes/No)

NO

11. Since these managers are closest to the technical work being done, the time spent on technical activities is usually greatest at the (top/middle/first-level) managerial level.

FIRST-LEVEL

12. In effect, we are suggesting that a manager is not a manager when he is doing technical work - Similarly, an employee who does not have a managerial title is in fact working as a manager - when he has responsibility for any of the _____ functions.

MANAGEMENT

13. Therefore, the absolute distinction between managers and nonmanagers that is implied by position titles is generally (accurate/misleading).

MISLEADING

14. Just as the time spent on managerial and technical activities varies with managerial level, the proportion of time spent on planning and organizing, as contrasted to directing and controlling, also varies with the _____ level.

MANAGERIAL

15. Top managers, who need to be concerned about the future position of the organization, are likely to spend relatively more time on the functions of (planning and organizing/directing and controlling).

PLANNING AND ORGANIZING

16. On the other hand, first-level managers, whose prime responsibility is to see that work already scheduled is accomplished, are likely to spend more time on the functions of (planning and organizing/directing and controlling).

DIRECTING AND CONTROLLING

17. Though he included coordinating in his analysis, Fayol had difficulty in distinguishing coordinating from the other management _____. In this chapter we regard coordinating not as a function, but as an objective related to all of the functions.

FUNCTIONS

18. In the following sections of this chapter, we briefly consider the descriptions of the four management functions of _____, _____, _____, and _____, and more complete development for each of these functions takes place in later chapters.

PLANNING

ORGANIZING

DIRECTING

CONTROLLING

B. PLANNING

From the standpoint of logical progression, the function of planning precedes activities in organizing, directing, and controlling. And ---

within planning, the first logical and necessary step is the identification of the organization's objectives. Following the identification of objectives, necessary policies, procedures, and methods can then be determined.

19. In discussing organizational objectives, we cannot ignore the fact that the groups of people associated with an organization have their own personal objectives that affect the organization's success. The owner and employee groups, for example, are considered to be (within/outside) the firm, whereas suppliers and customers are (within/outside) the firm.

WITHIN
OUTSIDE

20. From this standpoint, equitable distribution of economic gains to the various groups associated with an enterprise (enhances/diminishes) the likelihood of long-run success.

ENHANCES

21. However, an organization can also be viewed as an entity with its own objectives. In their

search for a universal organizational objective, management theorists have considered three general objectives: profit, growth and survival, and the product or service objective. Of these, the objective most frequently associated with privately owned firms is _____.

PROFIT

22. For a number of reasons, to be discussed in Chapter 3, most writers in management prefer to identify the production of an economic value in the form of a product or service as being the universal objective of all organizations. This objective assigns particular importance to the influence of (owners/employees/customers) on organization success.

CUSTOMERS

23. As part of the process of defining specific operating objectives, such factors as expected demand, technological changes, and governmental fiscal policy have to be considered. Such factors have been called planning premises because they (are/are not) subject to the firm's direct control.

ARE NOT

24. The determination of policies, which are general statements that guide decision making in the organization, typically follows the identification of the organization's specific operating _____.

OBJECTIVES

25. In contrast to the needs of top management personnel, a first-level manager needs relatively (specific/broad) policy statements to guide his decision making.

SPECIFIC

26. Accordingly, policies are often classified according to the _____ level affected.

MANAGERIAL (OR ORGANIZATIONAL)

27. Furthermore, it is also useful to classify policies according to the way they were formed and according to the organizational function involved. An example of the latter would be the company's _____ policies.

FINANCE (OR PRODUCTION, SALES, ETC.)

28. Whereas a "general guide for decision making" defines a _____, a procedure specifies the sequence of steps to be taken to attain an objective.

POLICY

29. On the other hand, a method specifies how some one step of a procedure should be performed, and is thus more detailed than either a _____ or a _____.

POLICY PROCEDURE

30. Overall, the identification of the organization's objectives and the formulation of policies, procedures, and _____ are all components of the planning process.

METHODS

31. Though the skill of decision making is involved in all management functions, it is especially important in determining the manager's effectiveness in carrying out the function of _____.

PLANNING

32. In addition to research interest in creativity,