
Chapter 5

Introduction to Management

Higher Level

Past Exam notes (For this chapter)

WHAT IS MANAGEMENT

Management

Def This is the ability to achieve results through people. It involves Planning Organising, Controlling the work to be completed and requires the skills of leadership Motivation and Communication. It is the process of combining human activities and physical recourse towards the achievement of goals through people in formally organised groups

Past Exam questions
2006 Short Question 3

Managers

Def These are the people who are responsible for achieving the goals of the business

WHAT ARE THE MAIN MANAGEMENT SKILLS?

There are 3 skills of management. They are

1. Leadership

Leadership

Def This involve directing staff, setting a clear example of what is expected of others and delegating work

Delegation

Def This means giving authority to subordinates to carrying out tasks

The Manager must be able to influence people and get them to work towards the goals of the business. They must be confident, decisive and capable of getting the trust and respect of others. It is important that they are a role model for employees and lead by example.

2. Motivation

Motivation

Def This is the willingness of people to work hard and to contribute their best efforts

The manager must be able to get their staff to contribute best to achieve the goals of the business. This is usually done by providing them with rewards and incentive to do better such as money or A title like assistant manager

3. Communication

Communications

Def This refers to the transfer of information between people. It can be done oral written or visual

The manager must be able to give clear instructions, so the employees know what must be done And how it should be done. Communication is also listening to the employees and what they have

To say. Some employees might have great ideas to make the business more effective and more profit

WHAT ARE THE MAIN MANAGEMENT ACTIVITIES

There are 3 Activities of management. They are

1. Planning

Planning ^{Def} This means clearly setting out the goals for the organisation and how these are to be achieved.

The manager must be able to set target/goals for the business. This involves identifying trends and make plans to take advantage of the opportunity but also try to avoid the treats. Once the plans are made they must be broken down into smaller manageable steps and then communicated to the employees.

2. Organising

Organising ^{Def} This means bringing people and resource together to implement the plans and achieve the company goals.

The manager must be able to put together resource to make the plans happen. The must bring together people, finance, equipment items that are need. They also must decide who does what in the plan and make sure it is done in an effective and efficient manner.

3. Controlling

Controlling ^{Def} This is the continuous monitoring and checking of results to see if they are inline with the target and standards set out in the plan

The manager must ensure that the plans stay on target. This is done by regular monitoring of progress and staff performance. It is important that the manger does be a autocratic and too controlling is they are they might smother employee initiative and potential.

WHERE IS MANAGEMENT RELEVANT

Just like enterprise, management is relevant in the following areas

1. **In home and Personal Life**

Parents are the managers at home, and they have to show leadership to their children, motivate them to do well, communicate with everyone so things get done, plan for family holidays and

events, organised the house for example cooking cleaning. They also need to control the finance of the house.

2. In school

School principals show leadership to teachers and students. They also motivate them to do their best. They need to have effective communication to avoid misunderstanding. They need to plan timetables and organised students into classes and events during the year They also need to control the school budget and make sure money is available for all spending

3. In the local Community

Leadership is need in the local community to run local activities festivals and competitions. Motivation is needed to keep people interested and communication is important to make sure that everyone understands what needs to be done. They also need to plan the dates and who will be available. They also need to control the finances and resource available to them

4. In business

Businesses need to plan to keep ahead of the competition, they need to organise resources, control finances and the quality of the product being produced. They also need to provide leadership to the employees, so they know what to do. They will also need to motivate staff to do their best and have good communication with all stakeholders

5. In public Service

Politicians need to provide leadership and motivate the staff in their departments. They need to have clear communication skills to inform the public about new policies. The need to plan and control the finances to run the country and state bodies need to organise resources to accomplish the business goals

WHAT ARE THE CHARACTERISTICS OF EFFECTIVE MANAGERS?

Effective managers will have the following characteristic

1. Problem Solvers.
2. Decisive.
3. Good with people.
4. Confident and Inspirational.
5. Good Communicators.
6. Good time manager.

TIP - It is a good idea to compare these with the characteristic of an entrepreneur and to be able to explain each of the characteristic that were just mentioned.

WHAT ARE THE SIMILARITIES AND DIFFERENCE BETWEEN MANAGER AND ENTREPRENEURS?

	Entrepreneurs	Managers
Ideas and Energy	<ol style="list-style-type: none"> 1. They have the ideas, energy and initiative to start a new business 2. They put their energy into new projects 	<ol style="list-style-type: none"> 1. They have few ideas or develop new ideas 2. Their energy is put into routine tasks
Personal Risk Taking	<ol style="list-style-type: none"> 1. They give up their own time and take personal and financial risks 2. They operate on their own 	<ol style="list-style-type: none"> 1. They don't take financial risks 2. They don't have ownership in the business
Manage Day to day Business	<ol style="list-style-type: none"> 1. Like the excitement of setting up something new 2. Don't delegate the decision making 	<ol style="list-style-type: none"> 1. Their day is routine and structured 2. Delegation is important
Control	<ol style="list-style-type: none"> 1. The entrepreneur has full control and makes all the decisions 2. They don't consult if they don't need to 	<ol style="list-style-type: none"> 1. They must get approval before doing certain activities 2. May need to report to the entrepreneur regularly

THE ROLE OF THE ENTREPRENEUR V THE ROLE OF THE MANAGER

Past Exam questions
2023 Q 5 (deferred)

	Entrepreneurs	Managers
Risk	<ol style="list-style-type: none"> 1. Takes a personal and financial risk when setting up a business 2. their own money and their reputation if the business fails 	<ol style="list-style-type: none"> 1. They will not risk their finances if the business fails but 2. they will lose their job if the business fails
Reward	<ol style="list-style-type: none"> 1. They have the potential to earn large profits 	<ol style="list-style-type: none"> 1. They earn a salary and may earn performance-related bonuses 2. They may also have an option of investing in the business.
Innovation	<ol style="list-style-type: none"> 1. They spot a gap in the market and comes up with an idea for setting up a business. 2. They focus on coming up with new ideas and seeking new opportunities 	<ol style="list-style-type: none"> 1. They implement the entrepreneur's idea or manages people to develop more ideas.
Responsibility	<ol style="list-style-type: none"> 1. They have ultimate responsibility for the running and success of the business. 2. Their focus is on growing the business and on its long-term future. 	<ol style="list-style-type: none"> 1. They are responsible for the day-to-day running of the business, reaching targets and managing employees.

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SHORT QUESTION

2016 - Short Question 3

Define Management

LONG QUESTION

2023 - Question 5

Read the following information supplied and answer the question that follows

Tayto was established by Joe Murphy in 1954. The company believes that cross functional teamwork is essential to its success. Management at Tayto value a supportive environment where open communication helps people to grow and learn Adapted from tatyosnacks.ie

(A) Contrast the role of an entrepreneur with that of a manager under 3 headings of the following

- Risk
- Reward
- Innovation
- Responsibility

(15)