



**AFRICAN MEDICAL RESEARCH FOUNDATION TRAINING MANUAL ON THE
UNIT STANDARD: *Describe and apply the management functions of an
organization*: ID No; 14667: 10 Credits**

Developed for the Southern Africa NGO Capacity Building Project with support from:



Describe and apply the management functions of an organization

Outcomes	Notional hours
1. Describe the management activities involved in running a successful business	20
2. Explain the basic activities involved in the management process	20
3. Identify and explain some of the task required of managers	20
4. Apply the decision making process to make a management decision	20
5. Apply the general management functions to a selected organization	20
Total Notional Hours	100

Specific Outcome 1: Describe the management activities involved in running a successful business

Mode of delivery	Assessment	Assessment instrument
Classroom presentation	Oral and written questioning	Written assignments/Tests

Management activities involved in the running a business successfully include but are not limited to;

- Grouping and allocation of activities, the creation of posts, the establishment of organizational structure, formal lines of authority, channels of responsibility and communication, and staffing.
- Recording and controlling the execution of plans and instructions through a management information system. Feedback of the actual performance can then be compared with standards and objectives set during the planning process.
- Conscious deliberation of what the organization should achieve and includes activities such as environment scanning, the formation of goals and objectives, the drafting of plans, policy formulation, etc.
- Influencing people in such a way that they will contribute enthusiastically towards the work activities in order to achieve the organization’s goals, and it encompasses effective leadership, motivation and communication.

Below are qualities of effective managers;

- They are good leaders
- They create a favourable work environment
- They work with and through people

- They provide opportunities and incentives to achieve high performance
- They use limited resources optimally

Suggested tasks for the learner to attain competence against this specific outcome

- 1) Name the four management activities involved in running a business/an organization effectively
- 2) List the qualities of an effective manager

Evidence that the learner has achieved competence against this specific outcome

- 1) The management activities involved in the running of a successful business are identified
- 2) The qualities of an effective manager are identified

Specific Outcome 2. Explain the basic activities involved in the management process

Mode of delivery	Assessment	Assessment instrument
Classroom presentation	Oral and written questioning	Written assignments/Tests

The basic activities involved in the management process are:

- **Planning-** Planning is a thought process and an action process that is future orientated with goals and objectives. Planning systematically identifies the activities that have to be executed in order to achieve the objectives, as well as the resources necessary to carry out these activities. Planning involves the systematic and effective utilization of the resources which are at the disposal of the organization. Planning has the following advantages:
 - 1) Through planning problems can be anticipated and uncertainty reduced
 - 2) Planning focuses on the goals and objectives of the organizations
 - 3) Planning improves performance and makes execution possible
 - 4) Planning provides motivation and elicits commitment
 - 5) Planning facilitates control
 - 6) Planning ensures coordinated action

- **Organizing-** Organizing deals with the assigning of duties, responsibilities and authority to people and departments and includes the determination of relationships that help to achieve the objectives of the organization. It can be summarized as being the manager's function in defining workers' work. Below are the main steps of the organizing process:
 - 1) The determination of the goals and objectives that the organization wishes to achieve (it follows from the mission and the strategy of the organization).
 - 2) The determination of the most important activities that must be carried out to make the achievement of the goals and objectives of the organization possible
 - 3) The division and grouping of organizational activities into departments or areas of specialization
 - 4) Job design within each department
 - 5) The delegation of tasks, authority and responsibility to individuals in departments and jobs in your organization.
 - 6) The design and visual representation of your organization's structure

Eight organizing principles have been identified as contributing to effective structure:

1. **The line of authority.** Clear lines of authority must run from the top to the bottom.
2. **The principle of single liaison.** Each employee receives assignments from and reports to only one authority or manager.
3. **The span of management.** The following factors determine size of influence of a manager or supervisor: competence; physical space in which employees work; non-supervisory tasks of managers; interaction; standard procedures; similarity of tasks; frequency of new problems; preferences of supervisors and subordinates.
4. **The principle of minimum levels.** Minimum levels ensure that communication channels are as short as possible
5. **The principle of specialization.** The greater the degree of specialization, the greater the potential of effective management
6. **Homogeneous grouping.** Where similar activities are grouped together the chances are higher that workers will be able to make group decisions
7. **The principle of corresponding authority.** The authority given to an employees must correspond with the responsibilities they carry
8. **The principle of elasticity.** The structure of the organization must adapt according to the strategy

The environment in which organizations function has become very complex and diverse. This calls for creative thinking, particularly in the higher levels of management. However, top management must not get involved in the day-to-day running of the organization but delegate authority and responsibility to the lower levels of management. The delegation process consists of four basic steps.

- ❑ The assignment of functions
- ❑ The delegation of authority
- ❑ The assignment of responsibility
- ❑ The creation of accountability

The reasons for delegating are the following:

- The manager's capabilities can be extended
 - It can lead to quicker decisions and action
 - It is important for the training and development of personnel
 - It shows that senior management trust their abilities and motivation and self-actualization is improved
 - It can have an influence on positive attitudes towards management and higher morale
- **Coordination-** Co-ordination can be seen as the process whereby management harmonizes the work performed by individuals and sections, thus obtaining good co-operation in order to achieve the business objectives in the most efficient way. This definition implies a systems approach to co-

ordination. From this it can be deduced that the actions of individuals and sections influence one another and also influence the objectives of the business as a whole. Co-ordination encompasses all management functions. Planning, for example, integrates co-ordination as part of the planning process. The basic aim of organizing is also co-ordination. As the business is structured by the creation of departments, lines of authority, it is organized with the aim of promoting co-ordination. Co-ordination is also an element of staffing and activating. Co-ordination cannot take place if managers are appointed in the right number and the right posts and trained properly. The process of activating (issuing of assignments, communication, supervision and motivation) is co-ordination. Lastly, co-ordination can be directly converted to control. The nature of the control process creates a favourable climate for co-ordination. To control means to evaluate and bring corrective action, which promotes co-ordination.

Because of man's limitations, business functions in the larger business cannot be performed by one person alone and a systematic division of the work between different employees or groups of employees is unavoidable. At the same time there is a need to co-ordinate the divided work activities. In this regard, co-ordination can be seen as the process aimed at integration of objectives and activities of different departments or units and, thus, the achievement of the best results for the business as a whole.

A lack of co-ordination often leads to a loss of time and resources. Therefore employees who have the ability to work together are an asset to a business. In the modern complex business it is becoming increasingly difficult to establish effective co-ordination. Furthermore human nature creates problems and morale and motivation play an important role in people's willingness to work together and co-operate. There are also a number of reasons for poor co-ordination. They are mainly attributed to working conditions and poor management practices. The following factors impede co-ordination

- A low workers' morale together with poor or no motivation by managers may lead to workers viewing co-operation as too much trouble or unnecessary
- Some workers may be unco-operative by nature. Some employees, for example, like to work alone or they are simply difficult and undermine others or purposefully waste their own and other's time.
- Poor relations between individuals or departments as a result of some or other incident, for example, differences between managers and their subordinates or between one head of department and another or between subordinates, may stem from differences over the best method to handle a task or project.
- Exaggerated importance or urgency of an own task, may lead to an individual or department concentrating on the completion of that particular task at all costs and consequently regarding the task or activities of others as less important.
- Poor planning and/or organization, may lead to the tasks of individuals or departments not being co-ordinated, resulting in under utilization.
- Poor communication between individuals and departments may result in ignorance about the importance and advantages of co-operation.

- Individuals or departments may be unable to or may refuse to implement or make use of new methods, procedure and equipment.

The need for co-ordination depends on the nature of the tasks that must be executed, the interdependence of the units responsible for the execution of such tasks and the communication system within the business. If the execution of a task will benefit from the flow of information between individuals and units, a high level of co-ordination should be pursued. At times contact between units may seem unnecessary and a task may be completed in a shorter period if the minimum co-ordination is maintained. A high level of co-ordination is normally required when the task is of a non-repetitive nature and when the business operates in a changing environment. In such cases co-ordination may be regarded as an information process. When the situation is more or less stable, co-ordination can be maintained with the use of pre-planned programmes. Such programmes specify where and when which activities should be carried out, and are known as directive or planned co-ordination. When the long-term situation changes very much, plans must sometimes be adapted to take the new factors into consideration. Co-ordination that makes provision for adaptations is known as co-ordination by feedback.

- **Control-** Control is a systematic process through which managers can compare real performance with plans, standards and objectives and take corrective action if deviations occur. Control is important for the following reasons:
 - It prevents crises.
 - It leads to standardized actions to increase efficiency
 - It prevents malpractices, theft and waste
 - It results in delegation because subordinates who are delegated to can be controlled effectively.
 - It brings about performance appraisal of all workers.
 - Quality is standardized.
 - Environmental change results in activities not being carried out according to plan.

Suggested tasks for the learner to attain competence against this specific outcome

- 1) Name the basic activities involved in the management process and provide an example for each
- 2) Explain planning and list its advantages
- 3) Develop a plan for own situation within your organization showing how it fits within the organization's plans
- 4) Explain organizing and list the main steps in the organizing process
- 5) List and explain the eight organizing principles of an effective organization
- 6) Identify the core business of your organization with and indicate who is responsible for that core business
- 7) Identify a coordinator/coordinators within the organization and indicate the coordination function/s
- 8) List factors that impede coordination in a business/an organization
- 9) Explain control giving the reasons for its importance
- 10) Explain delegation and list its four basic steps

Evidence that the learner has achieved competence against this specific outcome

- 1) The basic activities involved in the management process are named with examples
- 2) Planning is explained and its advantages are listed
- 3) An example of the planning required in the learner's own situation is produced and an indication is given of how this fits into the organization's business plan
- 4) Organizing is explained and the main steps in the organizing process are listed
- 5) The eight organizing principles are identified and explained
- 6) The core business of an organization is identified and an indication is given as to who is responsible for this core business
- 7) A Coordinator/Coordinators within an organization is/are identified and an indication is given of the coordination function/s
- 8) Factors that impede coordination in an organization are listed
- 9) Control is explained and the reasons for its importance are given
- 10) Delegation is explained and its four basic steps are listed

Specific Outcome 3. Identify and explain some of the task required of managers

Mode of delivery	Assessment	Assessment instrument
Classroom presentation	Oral and written questioning	Written assignments/Tests

- Managers work through and with other people to achieve the goals of their organisation. They *coordinate* the work done by different people within and outside the organisation. The people referred to here include all levels of management, workers and people outside the organisation such as clients, suppliers and funders.
- Managers serve as channels of *communication* in the organisation, for example, during planning when goals are set, during activating when assignments are given or during control when feedback is received.
- Managers balance competing goals and set priorities. Managers must strike a balance between the goals in terms of their importance and the available resources. Managers have to *motivate* staff to perform optimally. Furthermore, managers set priorities according to which tasks should be dealt with. By performing the most important tasks first, time is utilised efficiently.
- Managers should think analytically and conceptually. An analytical thinker breaks a problem down into its components, analyses those components and proposes a feasible solution. A conceptual thinker has the ability to visualise a task in the abstract and understand the influence that it will have on other tasks.
- Managers make complex *decisions*. Various problems arise in all organisations' functions. Managers are expected to come up with solutions to these problems. In many cases managers do not have sufficient information and have to depend on their experience and intuition. Sometimes their solutions may be unpopular.
- Managers fulfil different roles. Managers negotiate with funders and suppliers, give instructions and communicate with subordinates and attend meetings. For each of these tasks the manager performs a different role.
- Managers *delegate* tasks to competent subordinates. Because higher levels of management cannot cope with all the work as well as to the workers. The less important tasks are usually delegated to subordinates.
- Managers are responsible and accountable for the execution of their duties, even though they delegate tasks to subordinates. Being responsible means reporting to higher authority, while being accountable has to do with the successful performance of the task. Managers thus have to *evaluate* performance of staff and may have to *discipline* subordinates who do not perform to the required standards
- Managers act as mediators. Because people with different values, attitudes and backgrounds work together in an organisation, agreement on matters does not always exist. A manager fulfils the role of mediator between the

parties in the handling of conflict. To mediate conflict successfully managers have gain the *trust* of conflicting parties.

- Managers fulfil the role of politicians. Managers should establish and maintain relations, and apply persuasion and compromise to achieve the organisation's goals.
- Managers act as diplomats. They serve as official representatives of the organisation or one of the departments at meetings and in dealings with clients, suppliers and personnel of other organisations.

Suggested tasks for the learner to attain competence against this specific outcome

- 1) Explain the decision making task of managers with examples
- 2) Explain the communication task of managers with examples
- 3) Explain the importance of trust within an organization
- 4) Explain the coordinating task of managers with examples
- 5) Explain the delegation task of managers with examples
- 6) Explain the disciplinary task of managers with examples
- 7) Explain the evaluating task of managers with examples
- 8) Explain the motivating task of managers with examples

Evidence that the learner has achieved competence against this specific outcome

- 1) The decision making task of managers is explained with examples
- 2) The communication task of managers is explained with examples
- 3) The importance of trust within an organization is explained
- 4) The coordinating task of managers is explained with examples
- 5) The delegation task of managers explained with examples
- 6) The disciplinary task of managers is explained with examples
- 7) The evaluating task of managers is explained with examples
- 8) The motivating task of managers is explained with example

Specific Outcome 4. Apply the decision making process to make a management decision

Mode of delivery	Assessment	Assessment instrument
Classroom presentation Audio visual material	Oral and written questioning Role plays	Written assignments/Tests Demonstration

Decision making is a rational process by which a specific plan is chosen to solve a particular problem or to save a situation, taking into account the potential effect on business activities, on the one hand, and established business principles, on the other. Managers are expected to make rational decisions, irrespective of the uncertainty and risk that result from a changing environment. This implies that information has to be gathered and different alternatives considered objectively before the decision is taken

The rational decision-making process is dynamic, ongoing and without a set procedure. Therefore the process does not end with the implementation of the decision, but leaves room for follow-up, feedback and adjustments regarding the elimination of possible problems in future decision-making. Rational decision making involves the following steps

Investigating the situation: This involves:

- Identifying and defining the problem- The first step in the process is the acknowledgement that a problem exists and that it should be solved. If the individual does not realize that a problem exists, nothing can be done to solve the problem
- Gathering information about the problem- The more applicable, accurate and reliable the information about the circumstances regarding the problem or situation, the better the identification and definition of the problem. The information can be obtained by systematic observation and even elementary research, and can minimize uncertainty and lead to precise problem defines. Sufficient accurate, reliable and applicable information gathered during the first step of the decision-making process leads to clear, and carefully formulated problems
- Establishing decision objectives- It is crucial to decide what part of the problem *must* be solved and what part *should* be solved. The *must* part means that without its resolution organizational operations will be jeopardized

whereas an organization can function even though the *should* part is unresolved.

- Diagnosing the causes of the problem- Knowing what causes the problem is essential to the resolution and prevention of reoccurrence.

Develop alternatives: The manager must in this phase-

- Consider the factors that influence the number of alternative solutions, e.g. the time available, quality, quantity, accuracy, reliability and relevance of information
- Through creativity and imagination decision-makers should pay attention to considering more than one alternative solution
- Be guided by experience, available financial resources, labour, technology, equipment, the mission and policy of the organization.

Evaluate the alternatives and select the best alternative:

No thorough evaluation of the alternatives is possible without sufficient relevant information, which is of high quality.

- Each alternative, as well as its potential results, must be judged under the conditions of certainty, risk and uncertainty
- Each alternative must be judged against the objectives and available potential of the business.
- The value of each alternative must be determined in respect of how well it will contribute to the achievement of the *musts* and *shoulds*

Select the best alternative:

An effective evaluation of the different alternatives makes the final decision a mere formality. The choice nevertheless is approached with great caution because it will contribute to the ultimate achievement of objectives. Although the evaluation of different alternatives must be approached as objectively as possible, the element of subjectivity is ubiquitous in the final choice. Factors such as intuition and judgment play an important role during this phase of the decision-making process.

Implement the decision:

A decision is of absolutely no value until it has been implemented in order to achieve the objective for which it was initially developed. No decision, however, is carried out automatically and a sound decision cannot be optimized through poor implementation. A decision is no better than the steps that have been taken to implement it.

Evaluate the results:

The implementation of decisions is too often seen as the end of the decision-making process. The solving of problems is incomplete until the manager is sure that the end result is in line with the proposed solution.

Suggested tasks for the learner to attain competence against this specific outcome

- 1) List and explain the steps to be followed in making a decision in the workplace

Evidence that the learner has achieved competence against this specific outcome

- 1) The steps to be followed in making a decision in the workplace are listed and explained

Specific Outcome 5. Apply the general management functions to a selected organization

Mode of delivery	Assessment	Assessment instrument
Classroom presentation Audio visual material	Oral and written questioning Role plays	Written assignments/Tests Demonstration

Learners will in this specific outcome be asked to draw an organogram of the organization they are involved with. The organogram must list all divisions in the organization stating what each division is responsible for. Within the organogram the learners must be able to point out the management levels explaining which manager is responsible for what.

Learners are also expected to study each division within the organization, draw an organogram of the division, point out the management levels within the division and explain which manager is responsible for what.

Suggested tasks for the learner to attain competence against this specific outcome

1. Draw an organogram of your organization listing all the divisions in the organization and pointing out what each division is responsible for
2. Draw an organogram of your division pointing out the management levels and explain which manager is responsible for what

Evidence that the learner has achieved competence against this specific outcome

1. An organizational organogram is drawn indicating all the divisions of the organization with explanations as to what each division is responsible for
2. A divisional organogram is drawn up with indications of the management levels and explanations as to which manager is responsible for what

