

Basic Concepts on Management



MANAGEMENT SCIENCE

History

- live in groups
- Have a leader
- Division of labour
- Civilization

Leaders

- are born
- or
- Can be train

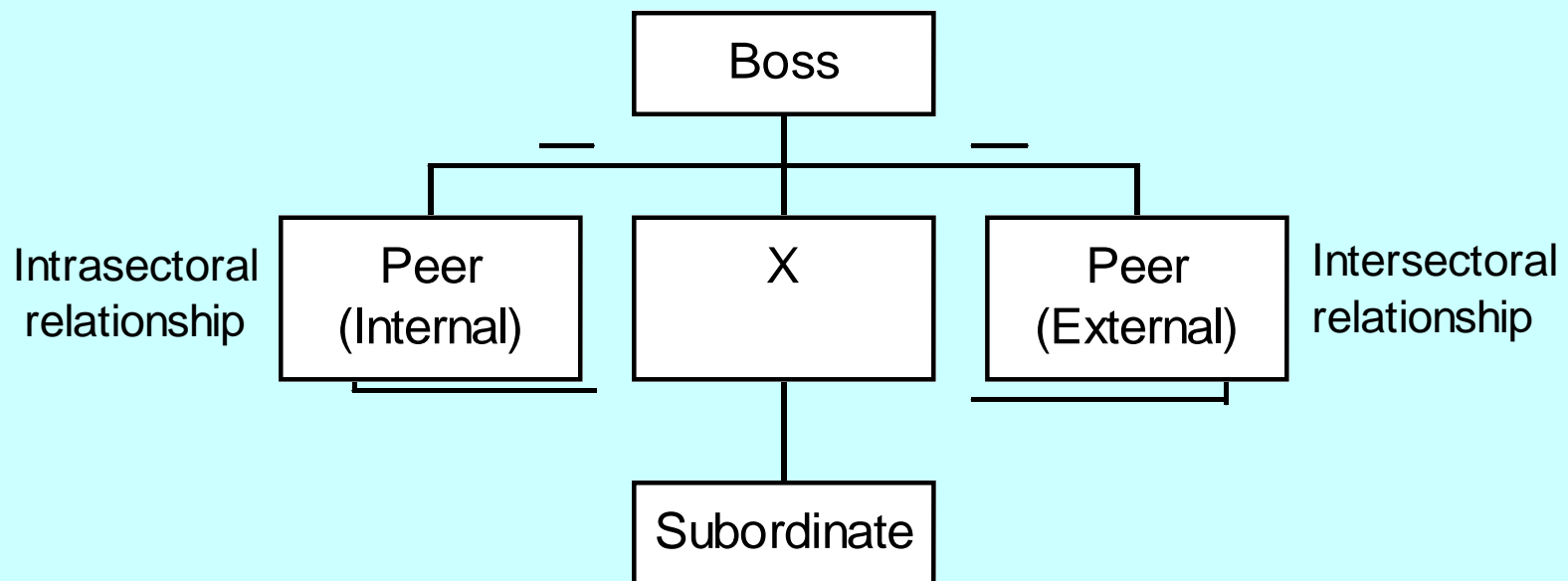
MANAGEMENT SCIENCE

Historic Milestone

- Sun Zu “Art of War” (600 BC)
- Chanakya “Arthashastra” (300 BC)
- Niccolò Machiavelli “*The Prince*” (AD 1513)
- Adam Smith “*The Wealth of Nations*” (AD 1776)
- Frederick Winslow Taylor “The Principles of Scientific Management” (AD 1911)

Management models

Management molecule



Principles of Management

“On Being In Charge” A guide to Management in Primary Health care (WHO 1992)

- (1) Management by objectives**
- (2) Learning from experience**
- (3) Division of labor**
- (4) Convergence of work**
- (5) Substitution of resources**
- (6) Function determine structure**
- (7) Delegation**
- (8) Management by exception**
- (9) Shortest decision path**

Definition

Management is

~ *getting people*

~ *to work harmoniously together*

~ *and to make efficient use of resources*

~ *to achieve objectives*

Three main functions of management



Planning



Implementation



Evaluation

Fayol's six functions of management

•forecasting,

•planning,

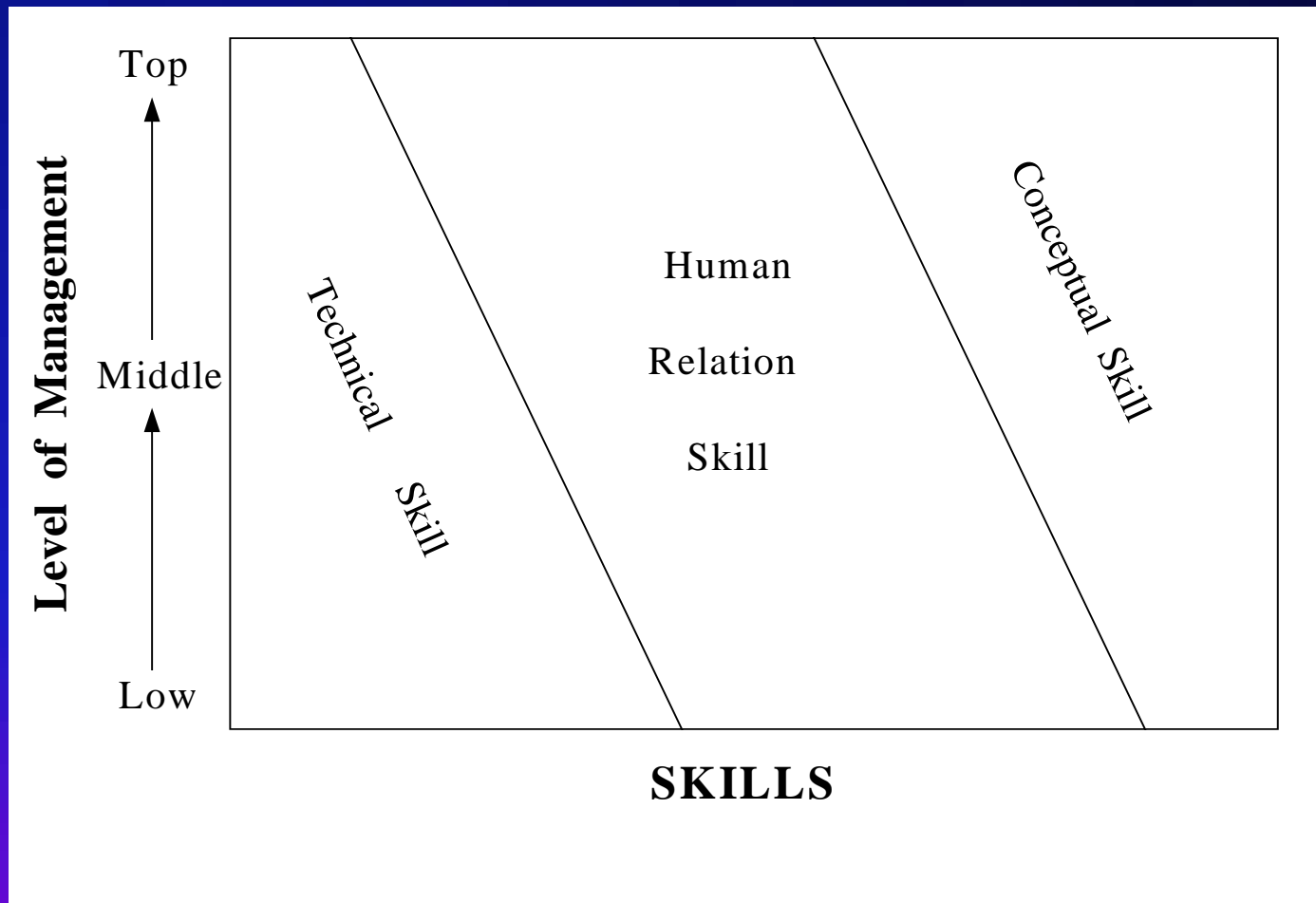
•organizing,

•commanding,

•coordinating

•controlling

Management skill diagram



Organization

It is a group of people

working together for a stated objective / objectives

by using resources

through the hierarchy of authority

and division of labor.

Types

Structure

Function

LEADERSHIP

It is the **influence** exercised by one person over the other **person(s)** with some **behavioral outcome**

Types of leaders

- (1) Formal leader - appointed, conferred, responsible
- (2) Informal / community leader - respect, age, experience, knowledge

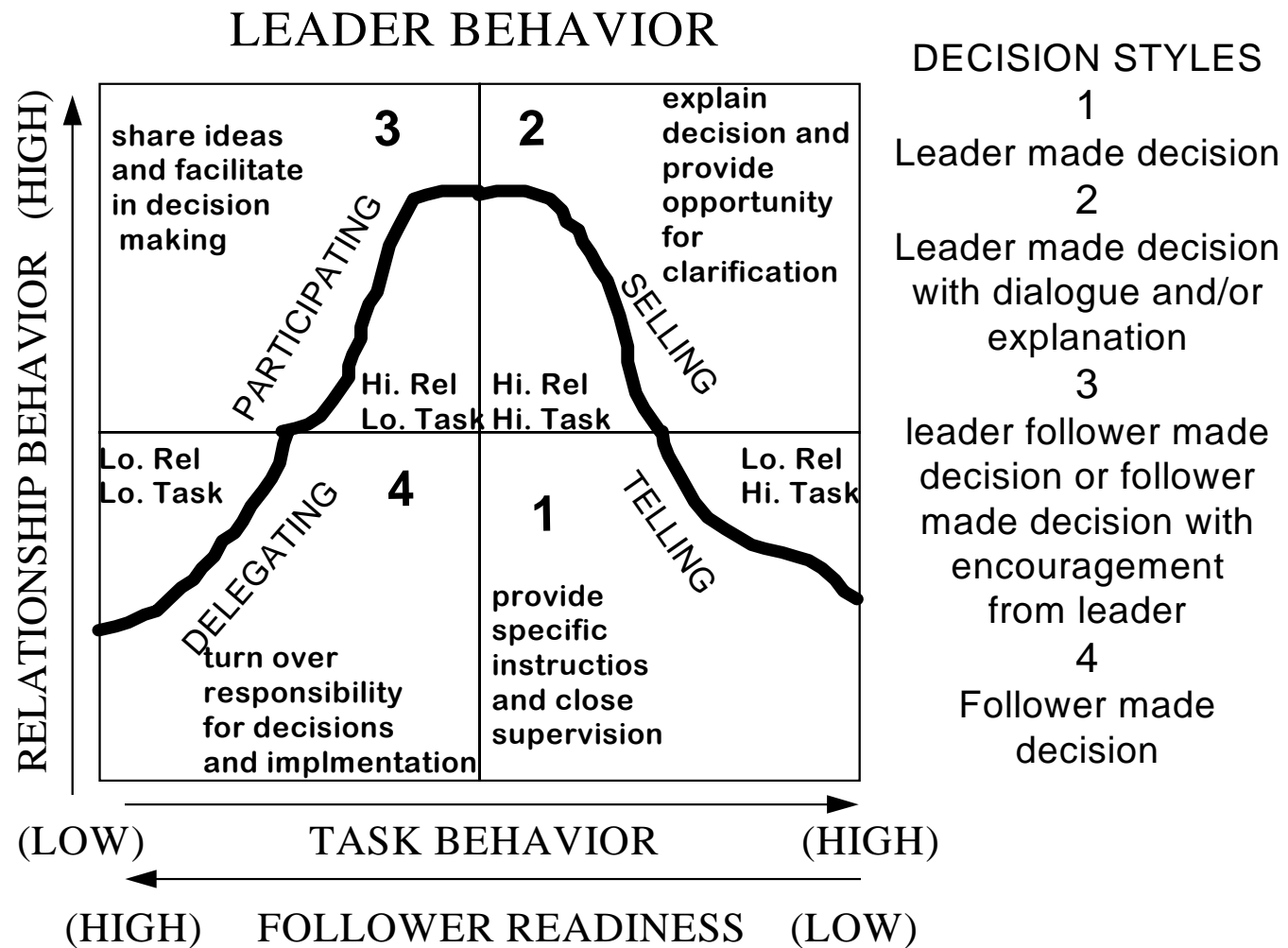
Styles of leadership

- (1) Autocratic style ~ Manager make decision and announce
- (2) Consultative style ~ Manager present ideas and invite question
- (3) Participatory style ~ Manager present problems , get suggestions and make decision
- (4) Democratic style ~ Manager define limit and ask the group to make decision
- (5) Laissez-faire ~ Manager permit subordinate to function within limit defined by superior

Factor resulting the style

- ~ Important of result
- ~ Nature of work
- ~ Characteristic of workers
- ~ Personal characteristics of manager

Contingency of leadership



MOTIVATION

Definition

Self or externally induced behavior which occurs in order to bring about or maintain need fulfillment

Model



MOTIVATION THEORIES:

1 Incentive theory

2 Drive-reduction theory

- Cognitive dissonance theory

3 Need theories

- Need hierarchy theory
- Herzberg's two-factor theory
- Alderfer's ERG theory
- Self-determination theory

4 Broad theories

5 Cognitive theories

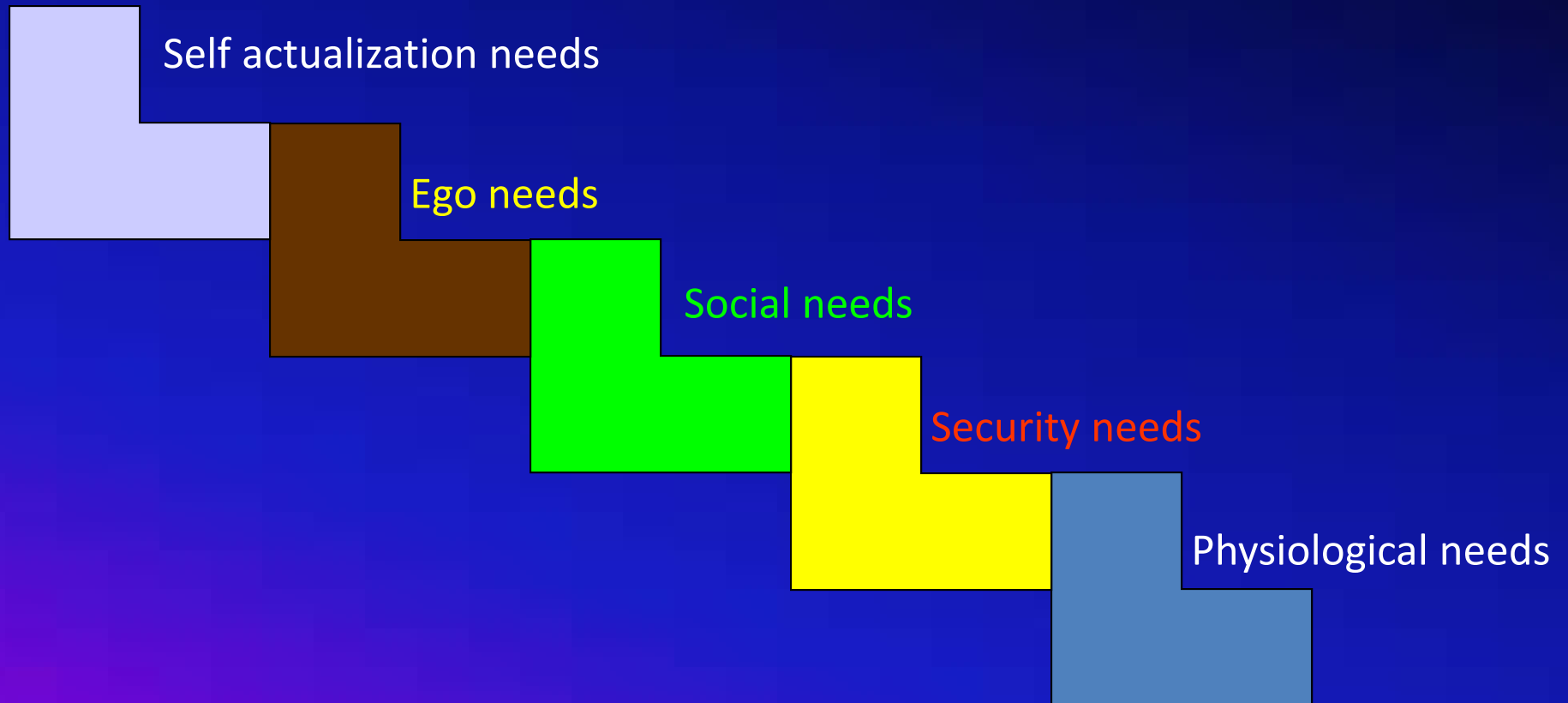
- Goal-setting theory

6 Models of behaviour change

7 Unconscious motivation

8 Intrinsic motivation and the 16 basic desires theory

Maslow's Theory of Need-Hierarchy



McGregor Theory

THEORY X

1. Dislike work and avoid if possible
2. Needs to control, direct or threaten to achieve objectives
3. Avoid responsibility, want security

THEORY Y

1. Not dislike work but satisfaction and punishment depend on working condition
2. Exercise self-direction and self-control to achieve objectives
3. Average human wants responsibility
4. Most significant award is satisfaction of self-actualizing needs
5. Potentiality of a person are not being fully used

Frederick Herzberg motivational theory

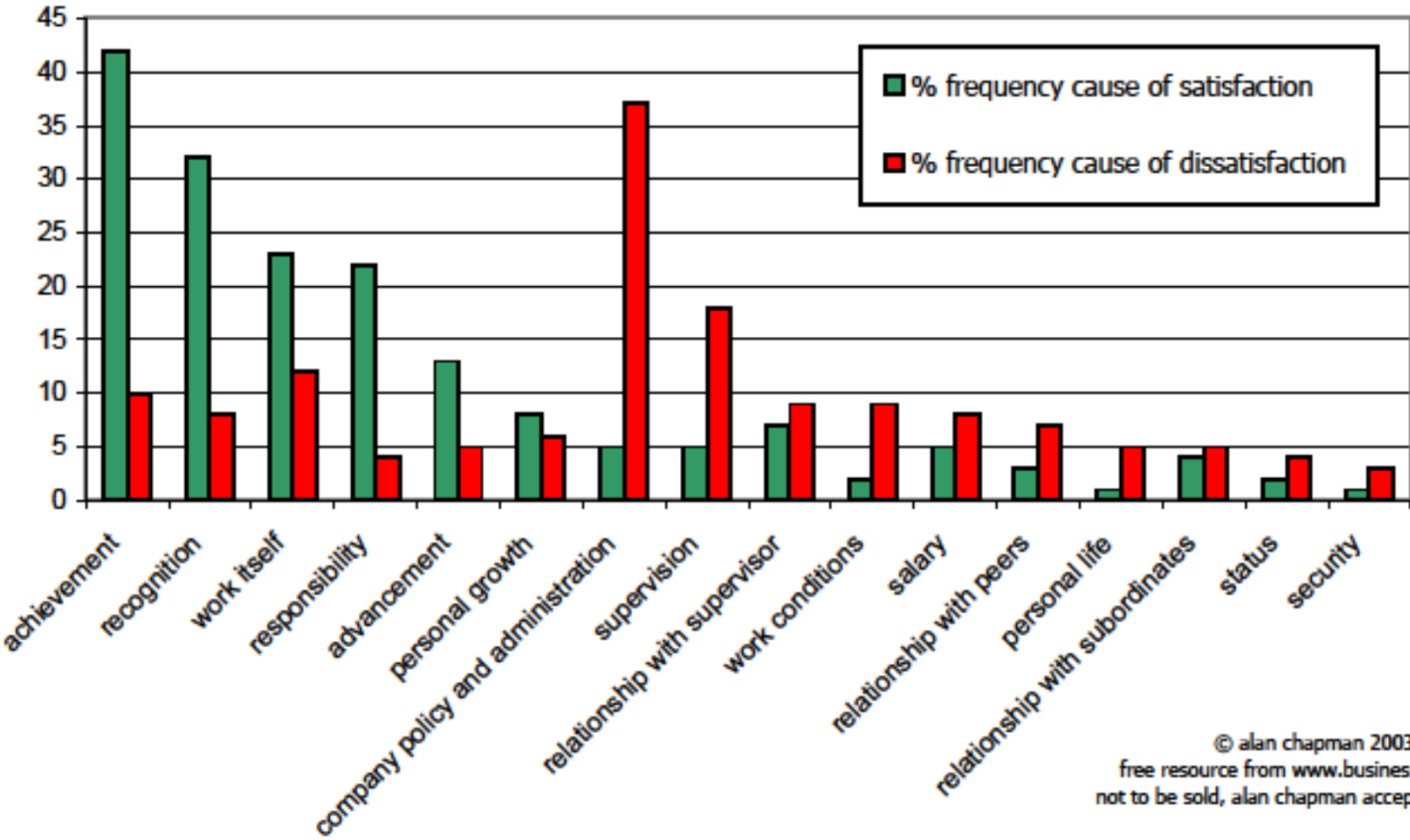
Herzberg's 'hygiene' needs (or maintenance factors) in the workplace are:

- policy
- relationship with supervisor
- work conditions
- salary
- company car
- status
- security
- relationship with subordinates
- personal life

Herzberg's true motivators :

- achievement
- recognition
- work itself
- responsibility
- advancement

Herzberg's motivators and hygiene factors
 (achievement through to personal growth are motivators; the others are hygiene factors)



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SPECIAL MOTIVATIONAL TECHNIQUES

- Money
- Participation
- Quality of working life

Motivation level depends upon

- Individuals' objective
- Relationship between performance & achievement of individual objectives
- Individual's ability to influence his/her performance

Incentive Forms

Regular

Periodic

Monetary

Salary/Wages
Increments
Housing/ Transport

Benefit
Social security
Welfare

Non Monetary

Job Satisfaction
Prestige

Leadership
Awards

Abstract from Job Satisfaction among Medical Officers in YGH (2012)

Dissatisfied on

- **Salary**
- **Workload**
- **Responsibility without authority**
- **Resource availability**

Contribution Factors for Dissatisfaction

- **Policy and Management**
- **Overall rapport**
- **Working Environment**

Recommendations

- **Recognition as motivation**
- **Autonomy of Medical Officers**
- **Giving authority in line with responsibility**
- **remove unpleasant situation**
- **Decentralization should be fashioned not only in Hospital but also in whole MOH**

QUALITY

~ Quality => Customer's satisfaction / Degree of goodness (excellence)

$$\sim \text{Quality} = \frac{\text{Degree of performance}}{\text{The standard set}}$$

Standard Operating Procedures (SOP)

- A Key to achieve Quality
- Treatment Guideline

Total Quality Management (TQM)



continuous improvement and not just achievement of standards



Promoting and supporting workers to improve the many processes in their work rather than to fixed standards.

Principles

- ➔ Organizations are made up of complex system of *customers* and *suppliers*
- ➔ *Customer's requirement* is the priority goal and key to organizational survival and growth
- ➔ *Continuous improvement* is the guiding principle
- ➔ *Teams and groups* are primary vehicles for planning and problem solving
- ➔ Developing relationship of *openness and trust* among members of organization at all levels is key condition to success.

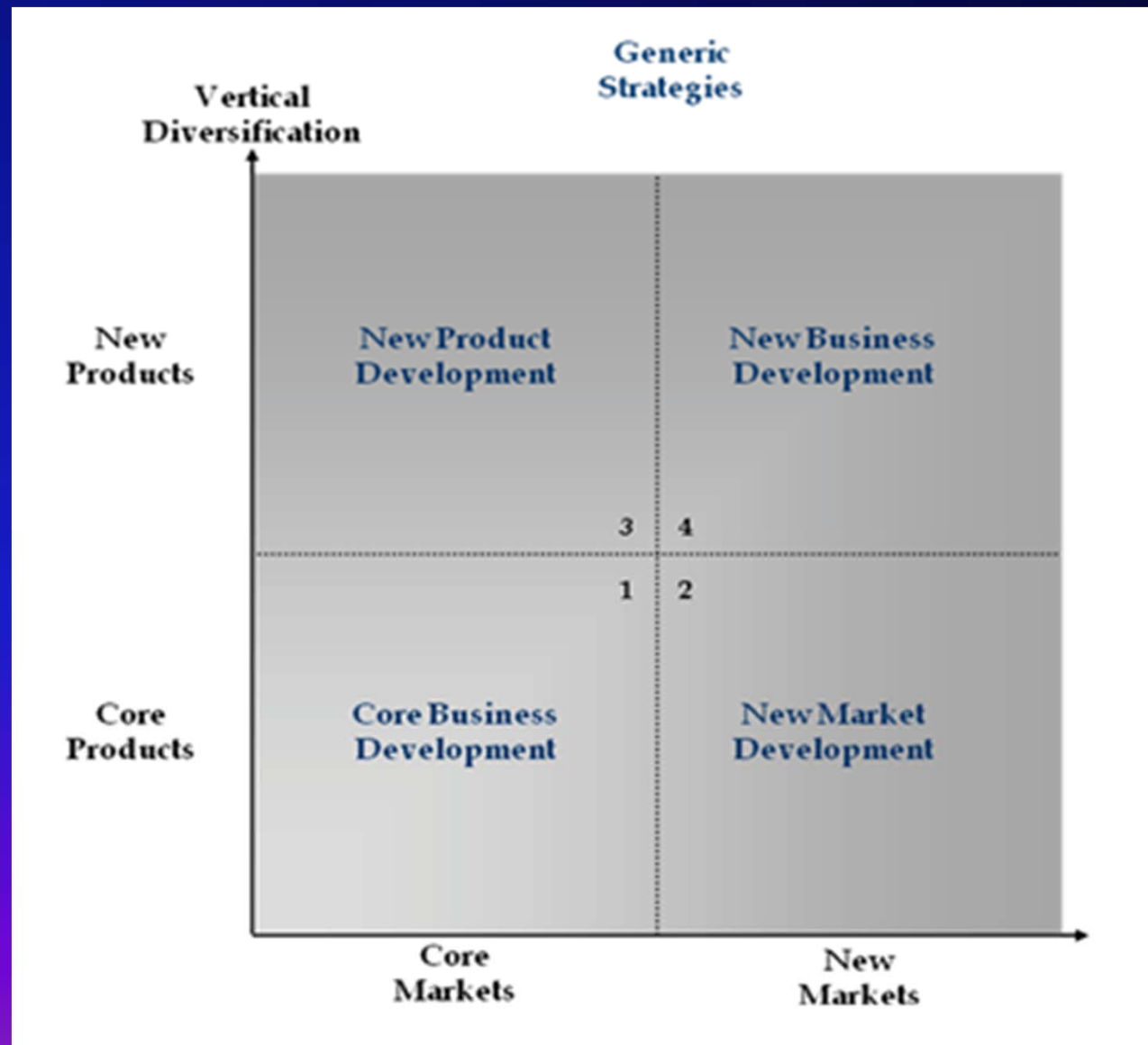
Five keys for TQManagerial Competencies

- ➔ Developing relationship of **Openness and Trust**
- 📦 Building Collaboration and *Teamwork*
- ➔ Managing by **fact**
- 📦 Supporting results through **recognition and rewards**
- ➔ **Creating a learning and continuously improving organization**

Blue Ocean Strategy

- **red and blue oceans** describes the market universe
- **Red Oceans** are all the industries in existence today – the known market space. industry boundaries are defined and accepted, and the competitive rules of the game are known.
- **Blue oceans**, in contrast, denote all the industries not in existence today – the unknown market space, untainted by competition. In blue oceans, demand is created rather than fought over.
- The cornerstone of Blue Ocean Strategy is 'Value Innovation'.
- Eg. Of BOS – cell phone, internet, MRT, Budget Airline

Blue Ocean Strategy



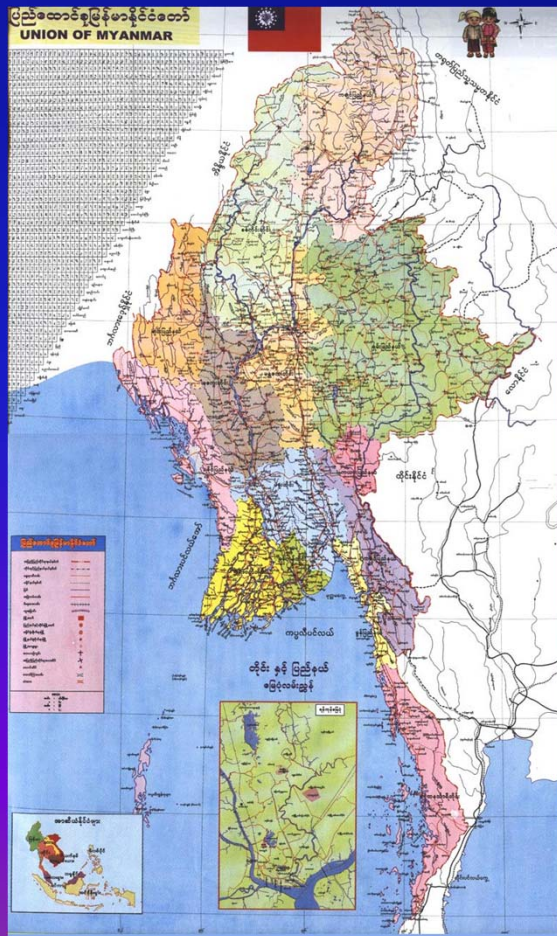
DEFINITION

DECENTRALIZATION

the removal of certain centralized powers or control to various areas, usually the area where operation take place.
(Webster 1995)

Dimensions of Decentralization

1. Geographic decentralization



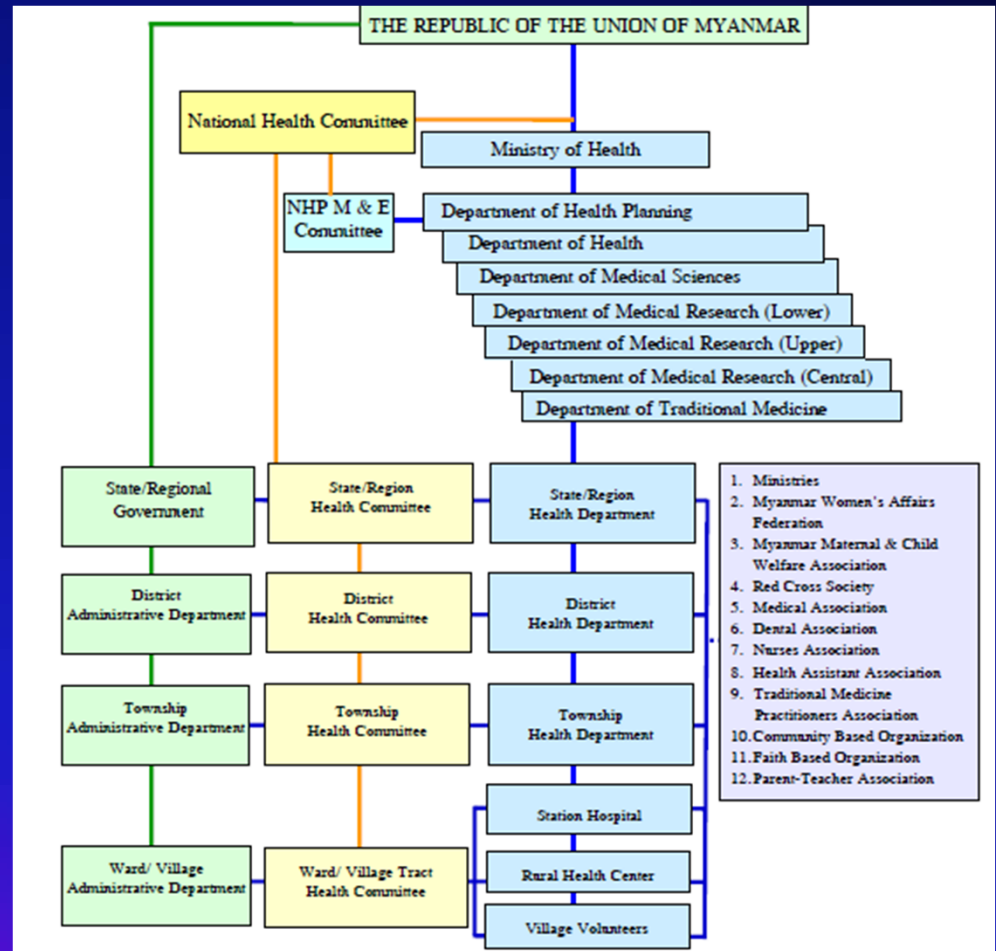
dividing the territory of a state
into smaller areas
and
assigning jurisdictional powers
among them



Dimensions of Decentralization

2. Functional decentralization

distribution of state's authority and responsibility among different functional entities of government.



Dimensions of Decentralization

3. Political and administrative decentralization



Political decentralization –

shifts decision-making powers to lower levels of government, encouraging citizens and their elected representatives to participate in decision-making processes.

the identification of specific administrative tasks needed to fulfil those roles, and the assigning of actors to perform the tasks.



Dimensions of Decentralization

4. *Fiscal decentralization*

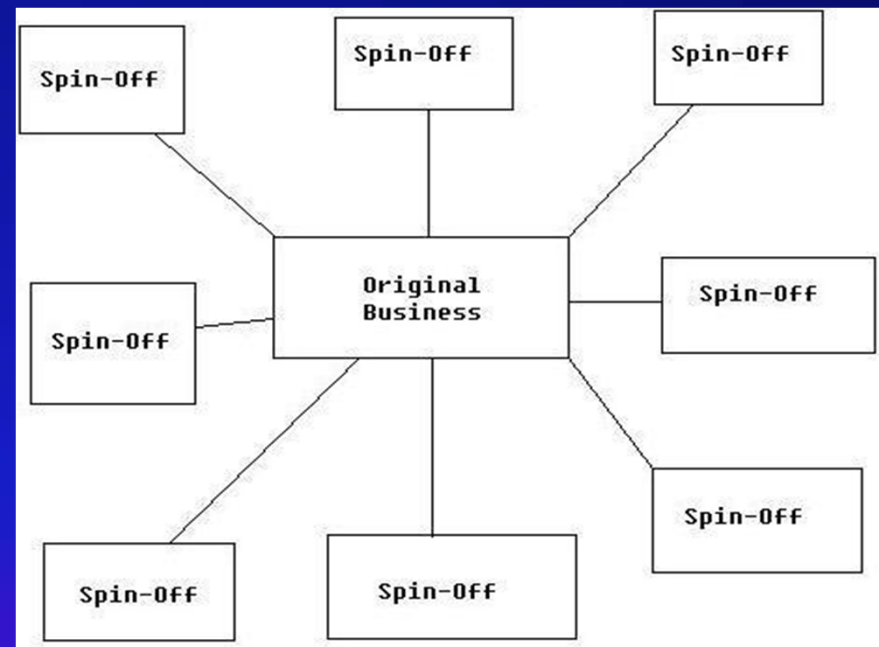
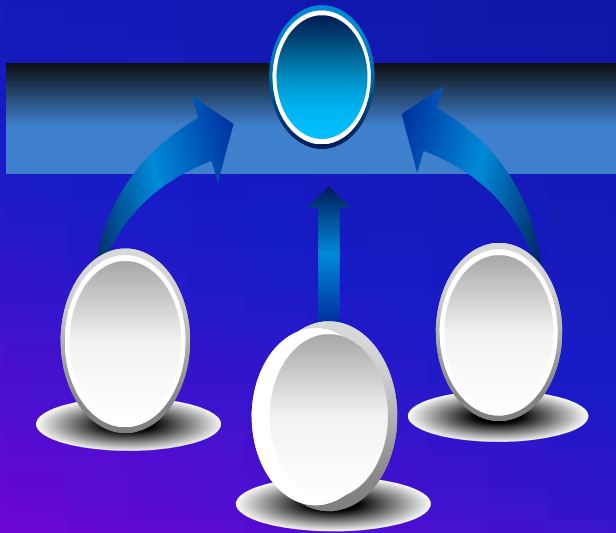
involves transferring expenditure and revenue responsibilities from the central government to sub national governments.



Degrees of Decentralization

1. De concentration

shifts the administrative workload from central government officials to subordinate field staff in the regions, provinces, or districts.



Degrees of Decentralization

2. Delegating –

- in specialized *functions*;
- *exempt* from central rules
- to *charge users* directly for services; and
- to plan and implement *decisions without central supervision*.



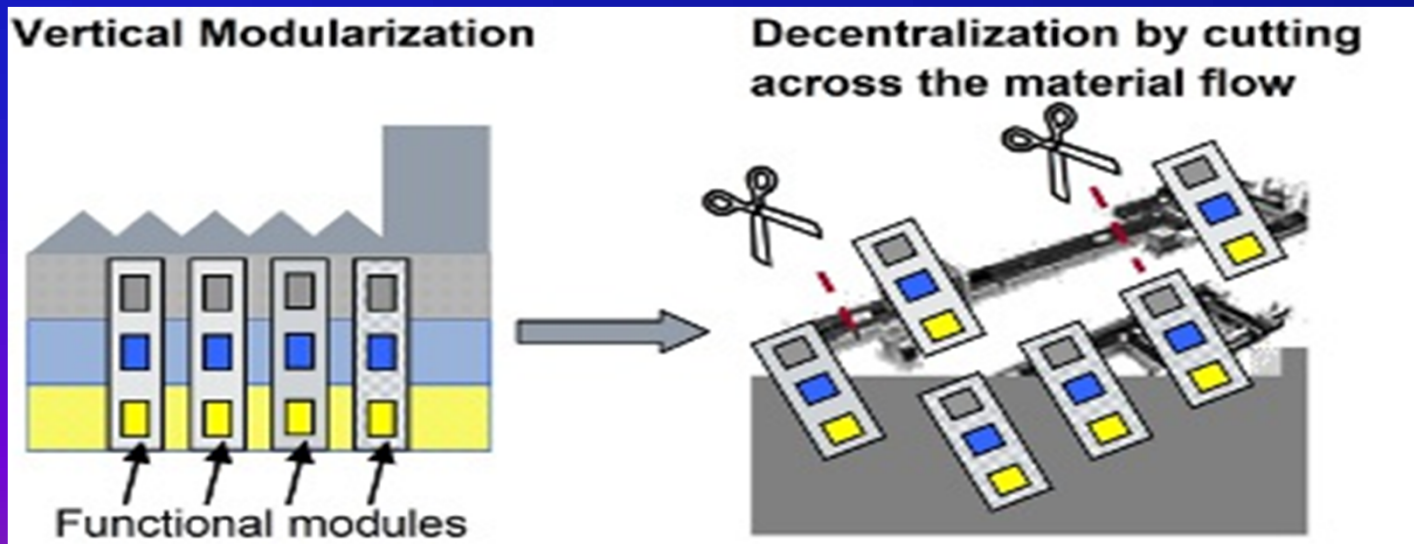
Examples

- housing and transportation authorities,
- districts school,
- special project implementation units,
- regional development corporations.



Degrees of Decentralization

Devolution - highest degree of decision-making independence and creating autonomous sub national governments that have *corporate status*; recruit their *own staff*; occupy clear and legally recognized *geographic boundaries*; raise *revenues to finance* their functions; and can *interact reciprocally with other units* in the government system.



Rationale and Advantages

The potential gains



participation in government decision making, resulting more flexible and effective administration, *political stability and national unity*.



create opportunities for a more *accountable government*.



more *transparency* in government.



ease *financial strain* on the central government.

Costs and Risks



the loss of scale economies and generate *unnecessary duplication* and underemployment of staff and equipment.

create coordination *problems and conflict* in overall resource distribution and macroeconomic objectives of the central government.

It may jeopardize the civil and social rights of certain *minorities*..

efficiency may undermined by institutional constraints like sub national governments have very *weak administrative capacities*.

Levels of Decentralization

certain functions are closely associated with particular levels of government.

- *fire protection and water supply to **local** government.*

THE END

Thank you for Attention

drmwsae@gmail.com