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MANAGEMENT

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MANAGEMENT

Lectures course

(for help for foreign students of all form of study
speciality «Finances», «Management»
and «Marketing»)

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The purpose of «Management» discipline study is: receiving the complex of knowledge concerning the choosing of management new forms and methods during the creation of complete, effective and flexible system of enterprise management in the conditions of developed market economy and forming of the new thinking of future specialist in the enterprise management field.

Lectures course of „Management” discipline is made correspondingly to the program of discipline study and solves specific problems of planned for study theoretical material and completes it.

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Introduction

Learning the „Management” discipline gives an ability for future specialists in any branch to master certain volume of theoretical and methodical knowledge in the enterprise management field, formulate modern approach for technique or socio-economic problems solving, which will appear in the practice process, and also gain abilities and some skills of creation conditions for creative and effective work of people in the collective. Knowledge of management theoretical basis gives students ability to master culture and art of management process, including the abilities to put general and special purposes and tasks of organization activity; develop the strategy of management consider social, collective and personal interests, control the process of its realization.

The object of management study is a process of enterprise activity management.

Subject of management study is elements of leading and leaded enterprise systems, their rights, plenary powers, responsibility, and interconnections between the management levels.

The subject of discipline study is: management relationships in the organization.

The purpose of «Management» discipline study is: receiving the complex of knowledge concerning the choosing of management new forms and methods during the creation of complete, effective and flexible system of enterprise management in the conditions of developed market economy and forming of the new thinking of future specialist in the enterprise management field

Educational program of «Management» discipline for preparation of the specialists such specialties as «Management of organizations» and «Marketing» is offered to non-corresponded form of study, 162 hours for university: 32 – lectures, 18 – practice.

Lectures course of „Management” discipline is made correspondingly to the program of discipline study and solves specific problems of planned for study theoretical material and completes it.

Principles of material teaching

Course program expects acquaintance with all themes of the course, but quantity of hours is limited by the study plans. Modern tendency of study in high educational establishment is decrease the time of study at the classes and increase of hi-technology study and self-education. Thus, detailed lectures course must guarantee more intensive usage of lecture time and systemize students’ home work. It is also recommended to use for knowledge checking, conducting of business games, current and total knowledge control and for self-control while learning this discipline. Course of lectures consists of such chapters:

- Theme 1. Elements of organizing and process of management
- Theme 2. History of organization and management development
- Theme 3. Planning as the management function
- Theme 4. Mutual relations of powers in the organization
- Theme 5. Management Organizational structures
- Theme 6. Motivation.
- Theme 7. Система и процесс контроля
- Theme 8. Technologies in management
- Theme 9. General characteristic of process of administrative decisions acceptance

Theme 10. A management and lead

Theme 11. Indicators of economic, organizational and social management efficiency

Each theme has its content at the very beginning.

Theoretical material is given in the fast learning style. Schemes and tables are also used

Within the text methodical tasks are given, which give an ability to fix knowledge and teach practical skills. It gives an ability to show the logic of each topic learning in general and some special tasks. Such approach gives a good ability to learn the subject.

During the self-work during the lectures learning студент student has an ability to deepen and spread his knowledge in the „Management” discipline .

Each topic has questions for self-control, which are used to help learn material and make it actual for reader. Working with the questions for self-control student has to learn the material of the topic, and then discuss it with his group during the practical classes or work it in his own with the purpose to see extra knowledge.

Theme 1. Elements of organizing and process of management

Plan

1. Definition of organization, types of organizations
2. Basic characteristics of organization
3. Basic streaks of manager's job
4. Management levels
5. Manager in compare to bussiness owner
6. Successfull management

Methodical directions: within the learning of new material you are proposed the ability to its consolidation and cultivation of practical skills. For this you are proposed to do exercises given in lecture.

1. Organization is 2 or more people whos activity is being coordinated for achievening of general purpose or purposes.

Thereby, it is a group which corresponds to next directions: presence of at least two people who are thought to be a part of this group; presence of at least one purpose (that is desirable result or state), which is thought to be the general for all members of this group, who work together intantionally for achievening of the general purpose.

For more precision we will say that this definition is fairly not only for simple organizations but for formal organizations. Also there are non-formal organizations, groups which arise spontaneously but where people interconnect each other often. Non-formal organizations could be in every formal organizations barring maybe very small. So even they have no leaders non-formal organizations are very important. Complex organizations are organizations which have different interconnected purposes.

2. All complex organizations have general characteristics. These general characteristics help to understand why manager is an important component of successful organization. General streaks are: resources; dependence from environment; horizontal dividing of work; subdivisions; vertical dividing of work; necessity of management.

In general main purpose of any organization includes the transforming resources for the achieving of the result. Basic resources used with organization are people (human resources), capital, materials, technologies and information.

Task: fill in the table 1.1.

Table 1.1. – Resources of company «IBM»

Organization	
Capital	
Materials	
Technologies	
People	
Information	

Company «IBM» uses funds of stockholders and banks (capital) for buying of details (materials), for building of assembly lines (technology) and payment for people (people), for producing computers which they could sell with profit (results). Resources of information are used uninterruptedly for connection and coordinating of any phase of transformation process.

Information of market exploration helps the managers of «IBM» to decide, which type of production may please public more. Communication with workers gives them the information needed for qualitative solving of problem. Speed and volume of production organization allows leaders to decide the efficiency of company in achieving the results. Importance of information as resource is the main reason of “IBM” success.

Task: mark in «IBM» company resources which to your mind have primary meaning

Dependence from environment is one of the most important characteristics.

The term «environment» includes:

- economical conditions;
- consumers;
- trade unions;
- compete organizations;
- law;
- values system in society etc.

All this influences on the inner processes of organization. It is important that even if organizations completely depend on the environment, this environment is not under the influence of managers.

For achieving of the purposes in organizations besides all these factors, labor dividing is very important. Horizontal dividing of labor is the dividing of all labor on its components. Dividing of big amount of labor on numerous specialized tasks, allows the organization to produce more production than the same quantity of people do this work separately. Divided the work on preparing and serving meal to clients between 12 employees, as it's usually done in «McDonnalds» more people could be served than in small traditional restaurants with one cook and some waiters.

Task: Describe how to your mind is done the horizontal labor dividing in the university.

Complex organizations make strick horizontal dividing by creating of subdivisions which make special tasks and obtain specific purposes.

As the part of full organization, subdivisions are the groups of people, whos activity is leaded and coordinated to the achievening of special purpose.

In very small organizations horizontal labor dividing may be noticed not so clear. For example, owners who also are managers of small restaurants may prepare the food or serve it. But majority of complex organizations have such horizontal labor dividing that their activity and purposes are simply to be tracked.

Classical example of horizontal labor dividing on the enterprise is for example is production, marketing and finances. They are the basic types of activities which must be done well for the success of the firm.

In complex organizations horizontal labor dividing is produced by the creating of subdivisions which produce special tasks. For instance «McDonalds» company has special subdivisions for each function of organization – marketing department, buyings, real estate etc. These subdivisions in «McDonalds» and other organizations have their own, smaller, more specific subdivisions.

Task: bring the dividing on subdivisions in university. Describe functions of each subdivision and their dividing to smaller structures.

For successful work of all organizations is needed their coordination or management. Consequently, the management, as the type of industrial activity is important for organization. Vertical dividing of labor separates work by coordinating of activity from activity oneself. But in small organizations there is no group of management.

For example, in small shop managed by two partners, one of them can take decisions for buyings, doing manager's function during one week, second – during next. Both coordinate work schedules of their few subordinates for providing the work of shop in fixed work time. But both partners also do not manager's functions serving customers and putting goods on shelves. Non of them does not think another

to be a master or manager. But though manager's functions are not used here, main function is coordinating.

Task: describe vertical labor dividing in university.

Necessity of management, as the sixth of basic organizations' characteristics, may be explained in this way.

For realization of company's purposes management is necessary, tasks must be coordinated by vertical labor dividing. Therefore management is an important part of organization.

3. These general streaks are: sense of management, manager's role, managers' functions.

Investigations show that manager's activity is very different from non-manager's, because manager has not uniformity in his activity. More typical is short durability, variety and fragmenteriness of activity.

Roles of manager.

Mintzberg defines role term as the hiring of behavior rules, corresponding specific foundation or specific post. Managers have special posts as managers of some organization subdivisions, and exactly this creates their behavior. Mintzberg also noticed: "Independent personality can influence on character of role, but not on its content. Thus actors, managers and others play their roles, giving their own interpretation of these roles as personalities".

In his works Mintzberg singled out 10 roles, which to his mind take managers in different periods and in different degrees. He divided them on three big categories:

- interpersonal roles;
- informational roles;
- roles for taking decisions.

Table 1.2. Ten manager's roles by Mintzberg

Role	Description	Character of activity by investigations results of business owner's activity
Main manager	Symbolic manager, duties of whom are implementations of usual duties of legal or social character.	Ceremonials, applications, binding actions
Leader	Responsible for motivation and activation of subordinates	All manager activities with subordinations.
Connective link	Provides work of selfdevelopment net of outward contacts and sources of information, which give information and services.	Copying, conferences, another work with organizations.
Informational roles		
Receiver of information	Search and receive information(current) of special character, which he uses in his deal; he is a nerve center external and enternal information incoming in organization.	Treating of all mail, realization of contacts connected with receiving of information (periodical publications, travels).
Information distributor	Conveys the information, received from outward sources	Mail distribution to organizations for receiving of

	or other subordinate members of organization; part of this information has just factual character, another needs the interpretation of facts for forming of the organization views	information, surveys, conversations.
Representer	Conveys information for outward contacts of organization concerning plans, policy, activity, results of work, is an expert of given branch.	Participation in conferences, appeals in mail, oral speech, including the conveying of information to outward organization etc.
Roles of taking decisions		
Bussiness owner	Searches abilities in the organization oneself and out of it, creates and starts «upgrading projects», giving changes, controls the creation of other projects.	Participation in conferences on strategy, surveys of situation, include initiating or creating upgrading projects.
Remover of irregularities	Is responsible for correctness when organization must do important changes.	Discussion of strategy and current questions, including cryses.
Resourcers' distributor	Is responsible for organization's resources distribution – factually taking	Making graphs, activities connected with creating of budgets,

	important decisions for organization.	programming of employees work.
Negotiations leader	Is responsible for representation of organization on all important negotiations.	Negotiations leading.

Task: acquainting with the table give an example of specific post for every management role by Mintzberg.

All these roles are interdependent and interact for creating of the one. All these 10 roles all together define volume and content of manager's work, independently of the character of specific organization.

There is no description of the manager's work, which will feet all content, roles and purposes of management work. There are different definitions of management. For example, Drucker's definition:

«Management is the special activity typewhich transforms unorganized crowd in effective purposefull and productive group». But one point of view is widespread, the view is that there is a management process which goes to each group its sense is the realization of functions of each manager.

Majority of american schools define management as the process of planning, organizing, motivating and controlling, needed for forming and achievening of organization's purposes.

By the american investigations more than 90% having post secondary education (USA) – will spend their life as employees of managers' companies and couldn't live and earn their money out of organizations. Teachers also are there.

4. One of the dividing form of managers' work has horizontal character: arraging of specific managers as heads of subdivisions. Another has vertical character which defines the

quantity of management levels in the organization. What does the quantity of levels depends on? Not just on the size of organization. Roman catholic church has just 4 levels between Roman Pope and parochial priest.

The army of USA has 7 levels and 20 sublevels separating general from rank in battalion strength of 1000 people. Managers always are divided in three categories. Sociologist Parsong defines these 3 categories from the manager's function in organization view.

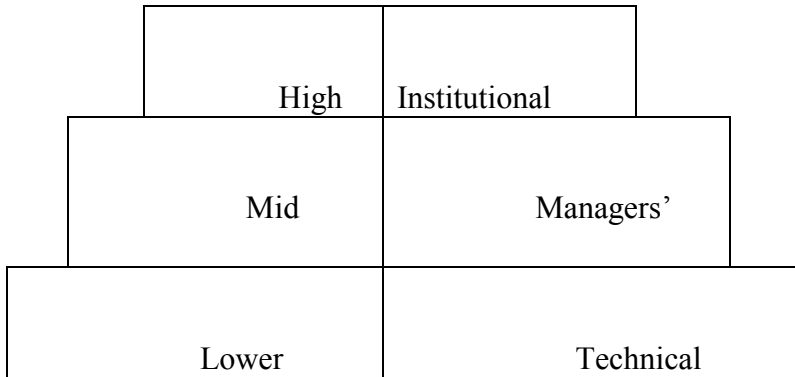
According to Parson's definition personalities on the technical level generally do everyday actions and operations, needed for guaranteeing of efficiency work without deragements in producing of production or services. Personalities on the management level basically are busy with management and coordination of organization, they coordinate different forms of actions and actions of different organization's subdivisions.

Managers on the institutional level (level of social structures – so called "institutions", such as state, religion, corporation etc., implementing specific social functions) basically produce long-term (perspective) plans, defining of purposes, адаптацией организации к различного рода переменаadaptation of organization to some changes, managing the relations between organization and environment.

More widespread way of the discribing of the managment level is choosing the managers of lower level or operating managers, mid level, high level.

Lets see in details the activity of lower, mid and high managers levels. Lower chiefs (operating managers) it is the organization level standing upper than other employees (not managers). Basically they control the implementing of the tasks for uninterrupted guaranteeing of the information about the implemanting of the task. Typical posts: foreman, shift foreman, sergeant, head of department, elder nurse, manager of chair.

Scheme 1.1. *Connection between management levels by Parson.*



Work of the lower managers is coordinated and controlled by the managers of mid level. Last time mid level is divided in two subdivisions, that's why there are 4 basic management levels; highest, high mid, lower mid and lowest.

Practically managers of the mid level are the buffer between the managers of lower and high levels.

Managers of high level are less numerous than others. Even in the biggest organizations managers of high levels are just few people. Typical posts – president of directors' council, vice-president, in the army – general, minister, chancellor. Are responsible for the most important decisions for the organization. Very hard work because hasn't even end.

5. The term "entrepreneur" was defined by the french economist Richard Cantellon who lived at the beginning of the 18 century. Since then this word means a man who takes a risk for creating of new organization, idea, production

But very often these characteristics, as personal risk, is the reaction on the financial abilities and willing to work more and hard without rest so that what are streaks of good bussiness owner are not streaks of good management ability.

Organizations dealing in nonstable conditions just couldn't wait for and act changes. Their heads must think and

act as business owners do. Businesslike manager actively searches of ability and risks obtaining changes and upgradings.

Pento brought in the word enterprise meaning such relations and actions themselves. Enterprise is needed on each level, if organization must work as business owner.

6. Success desire is characteristically for everybody. But for deciding – is the success obtained and what is needed for success at first we need to know what is the success. Organization is successful if it has achieved its purpose. American management school singles out next points of organization success:

- survival;
- effectiveness;
- productivity;
- practical realization.

It is not fixed in written form but survival, ability of organization to exist more is the prime in that list. For more survival and leadership organization has to change its purposes periodically, choosing them according to the world's necessity.

For success during the long term for more survival and wealth organization has to be productive and effective. By Drucker's words: effectiveness is the consequence of the "right needed things and effectiveness is the consequence of these things are to be done in right way". Both are important.

Productivity defines what amount of production will be produced in organization for the time limit (organization output). Productivity defines manhours on the production producing for the time limit in organization (labor-intensiveness). Organization can't be successful having low labor productivity and high labor-intensiveness.

Managers decide what are the purposes of organization productivity. Managers decide what are the methods of production obtaining in the organization. Managers decide

what are the stimulating forms in the organization, for making workers to increase the productivity of organization.

Management decisions how good they are explained theoretically and proved practically are just ideas and thoughts. But purpose of management is the realization the real work by real people. Successful decision is such a decision, which is realized practically – is changed to action – resultively and effectively.

There are no simple and safe formulas of success, but American theoreticians and practices in management learned that it is needed to make a special approach for the successful organization doing. This approach has 3 basic principles:

- generalization;
- necessity of situative approach
- necessity of intergate approach.

First problem for solving in organization management for success is that complex organizations are truly complex. It's difficult to imagine what goes inside the organization, between organization and its environment, and even what managers are doing.

Studying the characteristics for all helps to shorten, decrease difficulties in the difficult managing of organization, simplifying it for mind and perception. Generalization allows to see the leader's work in general and interaction of its components. Success has its general components, there are 5 basic reasons of managers failures: they want to have salary higher than they have; symbols of their place in society are too important for them; their personalities have prime priority for them; they isolate themselves; they hide their thoughts and feelings.

It is needable to pay attention on the differences between organizations in management activity. These serious differences between organizations which are also called

situative variables are divided in 2 categories: external and external variables.

Internal variables are the characteristics of organization (purposes, resources, size, horizontal and vertical labor dividing). They could be controlled.

External variables are the factors of environment it is out of organization but influences very seriously on its success. External variables could be controlled sometimes because they are the results of management decisions. Management decisions concerning the external variables define the resultativity, efficiency and productivity of this organization compare with other.

Just simple direction about which variable is more influencable on the success is not enough for optimal decision. The difference is that all management functions and variables are interconnected. Components of situation and management are so interconnected that they couldn't be searched independently. As the stone been thrown into the lake changing of any important factor makes rounds going on all lake, that is on all organization. First reaction on the changes makes other changes and more and more in endless cycle.

Functions of management process, that is what the manager does has direct relation to the situative changes. Via the management process managers create and realize the amount of external variables what is the organization.

Process of management is the way, with the help of which environment factors are taken to account and success of organization is evaluated.

During the planning process managers define what will be the purposes of organization and how could they be realized in the best way, founding on the necessities and holding factors of environment.

Process of organization makes a structure of work and forms subdivisions, proceeding from the size of organization, its purposes, technologies and personal.

Motivation is the process with the help of which manager obtains high labor productivity and achieves purposes.

Control allows to estimate the success of work.

One of the most important conclusions of dynamic interactions and internal and external factors is that manager never knows what one way or method is needed in situation.

The same, there is no “right” answer on the changes. You should govern proceeding from the situation having complex view on things.

Questions and tasks for self-control

1. Which definition of management do you prefer most of all? Formulate your own.
2. Define common and different features of manager and businessman.
3. Characterize the peculiarities of manager’s roles according to Mintzberg and give an example of action on each role.
4. Give examples of special posts on each management level and functions they have to do.
5. Which external factors influence on the organization activity?
6. Which internal factors influence on the organization activity?
7. Which factors influence on the creation of organization?
8. Give your own definition of notion „organization”.
9. Build organizational structure of student self-government. Define basic purposes, ways of activity,

hierarchical dependence, process of authority delegation.

To your mind is it formal or informal structure?

10. Give typical features of organization.
11. Give some examples of formal and non-formal organizations.
12. Give one example of enterprise to any type of property.

Theme 2. History of organization and management development.

Plan.

1. Management in organization before XX century.
2. Approaches to management as scientific discipline
3. Different schools' approaches
 - 3.1. Scientific management (1885-1920)
 - 3.2. Classic or administrative school of management (1920-1950)
 - 3.3. School of human relationships (1930-1950 yy.)
 - 3.4. Science of management or quantitative approach (1950 - now)
4. Different schools' donations
5. Processive approach
6. System approach
7. Situative approach

***Methodical directions:* within the learning of new material you are proposed the ability to its consolidation and cultivation of practical skills. For this you are proposed to do exercises given in lecture.**

1. See the analysis of ancient and nowadays organizations.

Table 2.1. Comparative characteristic of ancient and nowadays organizations.

Ancient	Nowadays
Small amount of big organizations	Big amount of powerful big organizations.

Not big amount of managers, practically no managers of mid level	Big amount of managers, also in mid level.
Management work wasn't separated from non-management,	Clear known managers groups, work. It is strictly separated from non-management work
Manager's post in organization was obtained in legacy way or by the power usurpation.	Taking of the manager's post by the competition right with law observance.
Small amount of people who can take serious decisions for organization.	Big amount of people who can take serious decisions for organization.
Support on order and intuition	Support on collective work and rationality.

There were organizations which were managed as nowadays organizations – Catholic church. Though organizations exist from the same time the world does, up to 20 century wasn't a thought how to govern them systemely. It was interesting just how to earn more money with the help of organization, have more politic power but not how to govern them. Even pragmatic advantages, obtained from the effective organization managing didn't do any interest in the ways and methods of management.

First interest was noticed in 1911 year. With the creating of Frederick Talor's book "Principles of scientific management". This moment is the beginning of management science. But the understanding that organization must be

governed systematically for achieving its purposes didn't appear at once.

This conception was developing during the long term beginning from the middle of 19 century to 20th years of 20 century. Basic power had made it was the industry revolution started in England.

But the idea that management itself may carry essential investment in the development and success of organization, At first it roused in America. It was promoted by:

1. At the beginning XX century USA was the one country where person wasn't discriminated by his origin, nationality, showing personal competence.

2. Transcontinental railway which's building was finished at the end of 19 century turned America into the largest united market in whole world. Then practically wasn't government regularity of management in bussiness. Appeared monopolists. –These and other factors made possible the forming of big branches, enterprises. Such big that they needed formalized ways of management. Appearing management as science was the source for necessities of big bussiness from one side, and from another –attempts to use the advantages of technique, has opened the most effective ways of organization management.

2. Management development as scientific discipline wasn't a serie of successive steps forward. Rather there were few approaches which matched one another. Objects of management are technique and people. Consequently, success in the management theory always depended on the success in other branches, such as math, engineering sciences etc.

With the developing of this knowledge researchers learned more about factors influencing on the organization success. At the same time world changed very quickly. There are four most important approaches in the theory and practice management development.

Evolution of management thought may be represented as:

1. School approach (1885 - 1950 y.y.)
 - a) school of scientific management (1885-1920 y.y.)
 - б) administrative (classical) school (1920-1950 y.y.)
 - в) school of human relationships (1930-1950 y.y.)
 - г) school of behavior sciences (1940 -now) school of management science (quantitative methods) (1950-1960 y.y.)
2. Management as process approach (1920 - now).
3. System approach (1960 - now).
4. Situative approach - now.

3. At the first part of XX century were created four schools of management thought: school of scientific management; administrative school; school of psychology and human relationships; school of management science (or quantitative school). These schools should be learned from this: for learning of evolution of management thought; knowing that one ways for one situation are not the same for other situations; schools are crossing in the theory and practice and that elements could be found in one organization.

3.1. School is based on the Taylor's works, couple Gilbreth and Henry Lippitt. They supposed that using observations, measurements, logic and analysis may be developed with handiwork for more effective implementation.

Basing on the received information, they changed work operations for removing of superfluous and using standard procedures and equipment, tried to increase the effectivity of work. This school didn't neglect the human factor.

Important investment was the systematic using of stimulating for the increase of productivity and production. Rest and pauses were planned, time limit, for task doing was real. It allowed to form the production process. The key

moment was that people who are producing more are rewarded more. In this school important was to sort out people who physically and psychologically corresponded to work also education was important.

This school protected thought about the defence of separating management functions of thinking and planning from actual work fulfilling. Taylor said that management – is the definite speciality and organization in general wins, if each workers' group concentrated on the most successful thing. This approach was the contradiction to old system where employees planned their work themselves. At first methods and approaches using in technique may be effectively used for purposes achieving

3.2. Before this school there was non organization management, but production. That is – they increased effectivity of organization on the submanagement level. Administrative school was the first to say about the whole organization manage.

Administrative school founders are: Anry Fajol (managed the large French organization of coal mining), Lindall Ourwick (consultant of management in England), Moony.

They didn't use scientific methods. Classics wanted to create universal management principles. They thought that using of these methods will lead the organization to success. These principles touched 2 basic aspects. First – development of rational system of organization managing. It is thought that there is better way to divide organization into subdivisions or work groups.

Traditionally these subdivisions were finances, production, marketing. Also defining of basical functions connected with it. Fajol considered management as universal

process which consists of interconnected functions: planning and organizing. Second – building of organization structure and employees' work. In general Fajol founded 14 basic management principles:

1. Labor dividing (specialization – for doing more work and doing it more qualitative).

2. Permissions and responsibility (where are permissions there is responsibility)

3. Discipline (fulfilling agreements between firm and employees. sanctions).

4. Undivided authority.

5. Unity of management (to have one plan and one manager).

6. Subordination of personal interests to common.

7. Rewarding of personnel.

8. Centralization.

9. Scalar chain - hierarchy from high manager to lower.

It would be a mistake to use it very strictly or not to use it if it doesn't work.

10. Order.

11. Justice (combination of goodness and justice).

12. Stability of work place for personnel (leakege of personnel decreases the effectivity of organization. Satisfactory manager who appreciates his place is more preferable than talented, clever manager who doesn't).

13. Initiative (means the plan creating and guaranteeing its successfull realization, that gives organization power and energy).

14. Corporative spirit. Union is a power and it is a result of organization harmony.

Task: add your own principles on this stage

3.3. Was created like an answer on the disability to think that human factor leads organization to success. The most famous authorities: Merry Follet and Elton Mayo.

Exactly Follet defined management as "guaranteeing work to be done with the help of other people".

Mayo revealed that well developed work operations and good salary non always increased the labor productivity, as thought a school of scientific management.

Forces being appeared within the people interconnection might excel and excelled manager's power. Sometimes employees reacted more under the pressure of colleges than by managers' willing or material stimulus.

Moreover, motives of human acts (by Maslow) are generally non economic forces, as thought followers of scientific management school, but different necessities only one part of which could be satisfied with money.

Founding on these conclusions, school's researchers thought, that if management cares for its employees more, employees' satisfaction level must increase, that will lead to increasing of labor productivity. They recommended to use hints of human relationships management. Including more effective actions of managers: consulting with subordinates, more wide possibilities of communication.

Authors of behaviorial way: Argiris, Likert, Gregor, Herzberg. They learned different aspects of social interconnection, motivation, character of power and authority, organizative structure, communication in organization, leadership.

School of behavior science differed from the school of human relationships, which based on the human interaction relations. New approach tried to help an employee in recognition of his own abilities basing on the behavior sciences concept and organization management building. Generally, basic purpose of it was the increasing of organization effectivity by the increasing of human resources.

3.4. Mathematics, statistics, engineering sciences and another knowledge made huge deposit in the development of this theory.

But before the Second World War quantitative methods used not enough in the management. Today quantitative methods, grouped together by the title investigations of operations. Investigation of operations – is the application of scientific investigations methods to operation problems of organization. After raising of problem group of specialists of operations investigations develops the model of problem. Model is the form of reality representation.

Influence of management science or quantitative approach was less than influence of behavior approach, partly because practically all managers run into the problems of human relationships usually.

4. Different schools' deposits:

School of scientific management:

1. Using of scientific analysis for determination of the best ways of problem resolving.

2. Selection of employees, best matching for task resolving and their education.

3. Guaranteeing of resources needed for effective task resolving for employees.

4. Systematic and right using of material stimulation for increasing of productivity.

5. Separating of planning and thinking from the work itself.

Classical school of management:

1. Development of management principles.

2. Describing of management functions.

3. Systematic approach for whole organization management.

School of human relationships and behavior:

1. Applying of human relationships management methods for increasing of satisfaction and productivity level.
2. Applying of human behavior sciences for management and formation of organization in the way, each employee is used fully according to his abilities.

School of management science:

1. Deepening of difficult management problems understanding with the help of developing and applying of models.
2. Development of quantitative methods for help to managers.

Task: evaluate the deposit of each school and think about what new have you learned about management.

5. This conception made the turn in management thought is widely used nowadays. Process approach was first offered by administrative school which tried to describe manager's functions. But these authors thought functions to be independent.

Process approach is based on the thought that functions are interconnected. Management is considered to be a process, because the work for the purposes achieving with the help of others- is not a one-time activity, but series of interconnected actions. These actions each of them is a single process, are very important for organization success. They are called management functions.

Every management function is also a process, because it consists of the series of interconnected actions. Fajol who first developed this conception, thought that there are 5 basic functions. By his words, "to manage – means to predict and plan, organize, order, coordinate and control". Other authors developed other lists of functions.

Review may single out: planning, organizing, ordering, motivating, managing, coordinating, controlling, communicating, researching, evaluating, taking decisions, selecting the staff, negotiating or making agreements. We will

thing that management process consists of functions of planning, organizing, motivating and controlling. These 4 basic functions of management are united together with the help of communication and taking decisions processes.

Leadership is considered to be an independent activity. It supposes the ability to influence on separate employees and groups of employees in the way, they work for purpose achieving what is very important for organization success.

6. It singles out the dependence of organization parts, dependence of organization and environment. The base is the theory of systems. For understanding how the system approach helps to manager for more effective achieving of the organization purposes lets read what is a system.

System is some intergity. Consisting of interconnected parts, each of them has its own deposit in the one characteristics. All organizations are open socio-technical systems. But system theory itself doesn't defines to managers what definite parts of systems are important. This theory doesn't define basic variables influencing on the management function. Also it doesn't define what in the environment and how environment itself influence on the result. Variables defining and their deposit in the organization effectivity is the deposit of situational approach.

7. It is the logical continuation of system theory. Central moment of the situational approach is the situation, thus the specific set of circumstances, which strongly influence on the organization at the define moment. Situational approach, reated at the end of 60th doesn't say that theories of schientific management school, behavior school and school of scientific management are wrong. It also uses process and system approaches.

Questions and tasks for self-control

1. Define the sense and tell something about schools of management.
2. Define the notion of situational approach on the special example.
3. Give the order of your actions which will help the interest to the management as a science and its development.
4. Analyze the differences between ancient and modern organizations by such parameters:

Comparison parameters	Ancient organizations	Modern organizations
Size and quantity		
Ratio of different age employees		
Importance of management stage		
Power gaining ways		
Process of management decision making		

Theme 3. Planning as the management function

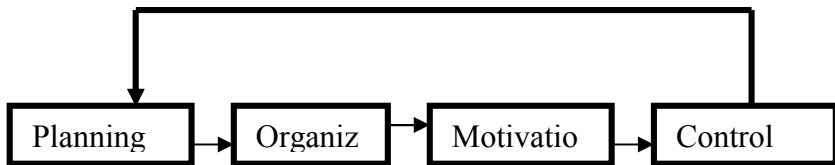
Plan

1. The sense of planning
2. Strategic planning

Methodical directions: within the learning of new material you are proposed the ability to its consolidation and cultivation of practical skills. For this you are proposed to do exercises given in lecture.

1. If to see planning as the process there are 4 basic interconnected functions.

Scheme 3.1. Interconnection of management functions.



We defined organization as the group of people whose activity is consciously coordinated for fulfillment of definite common purpose or purposes. Planning function deals with which must be purposes of organization and what must employees do for their fulfillment. In general, planning function answers 3 next questions:

1. Where we are at that time? Managers must evaluate strong and weak sides of organization in such important areas as finances, marketing, production, scientific investigations and developments, labor resources. All this is done with one aim – to know what really organization can achieve.

2. Where we want to move? Evaluating abilities and threats in the organization outward, such as competition, clients, laws, political factors, economical conditions, technology, supply, social and cultural changes; leadership defines what should be the purposes of organization and what could be the obstructions for their fulfillment.

3. How we are going to do this? Managers must decide how in general and specifically, what must do members of organization for fulfillment of its purposes.

With the help of planning leadership tries to form basic directions of efforts and decisions making, which will guarantee the unity of purpose for all members of organization. It means that planning is one of the ways with the help of which manager direct efforts of all the organization members for fulfilling its common purposes.

Task: imagine that you are chancellor of LNU. Describe realization of planning function correspond the proposed questions.

2. To analyze planning function deeper, let's see a process of strategic planning which is like an umbrella for all other management functions.

Strategic planning is a set of specific actions of manager and which lead to the creating of strategic actions made for fulfilling of their purposes. This is an instrument which helps in taking decisions. Strategy is a comprehensive complex plan, made to the guaranteeing of organization missions and purposes fulfillment. Process of strategic planning itself can be presented in such scheme.

Notice that strategic planning itself doesn't guarantee the success. As a car with the powerful engine can't work if it is full of low quality fuel. Organization which creates strategic plans also can failure from the errors in other management functions: organizing, motivating and controlling.

There are some regulations for strategic planning:

1. Not big planning department (up to 6 people) of corporation is added with the planning on lower levels.
2. The age of planning function even in the biggest organizations is less than 10 years.
3. Strategic plans are made on the conferences of high leadership of corporation being conducted annually.
4. Annual strategic plan is united with financial plan.
5. In most organizations it is thought that planning function could be upgraded.

The most important decision in planning is choosing the purposes. The basic common purpose of organization is called mission. Purposes are produced for the mission fulfilling. Formulation of the mission must reflect:

1. Task of firm from the point of view of its production and services, its basic markets and technologies. What enterprising activity does the firm?
2. Outward's relation to the firm
3. Culture of organization. Which type of working climate is in the firm? What type of people does this climate attract?

Within the creation of organization mission it is important to remember that purposes of organization are to be searched outward, and leadership must answer two questions: «Who are our clients?» and «Which needs of our clients can we satisfy?». Purposes must have such characteristics: be specific and measurable; have specific deep of prediction and be reachable.

Task: form your own mission in your life and describe your short-, mid-, and long-term purposes.

Next stage of strategic planning is the analysis of outward. As a result leadership can develop bewareng arrangements for possible threats. The sense of outward analysis is the answer on 3 questions:

1. Where is organization now?
2. Where must be organization in future to the leadership's mind?
3. What must leadership do for organization to change its position?

All threats can be divided into 7 areas: economics, politics, market, technology, competition, international position and social behavior.

Task: analyze the influence of outward factors on the university activity and develop the system of steps for removing of their negative influence.

Management investigation of eternal strong and weak sides of organization is recommended to fulfill by 5 basic functions: marketing, finances (bookkeeping calculation), operations (production), human resources and also culture of organizations.

Simplified level of organization activity consists of 9 stages and served for creation of strategic program. Choosing of methodology provides the high level of efficiency of management upgrading by labor resources and production processes. On this depends profitability and quality of the consumer serving.

Audition of inner activity needs the complex approach. Also such circumstances should be taken into account: first, problems don't exist without people; second, people differently evaluate what is going on; third, audition is impossible without investigation and singling out main moments; fourth, deblocking of different situations needs a lot of employees, conducting the consultations and negotiations.

Sequence of organization activity analysis.

1. Making of consensus.

In general conception of quality increasing the level of organizational culture of firm is very important. So it's right on the beginning stage of audition to analyze general aspects of

organization activity, delimiting of individual tasks and tasks of departments.

2. Defining of purposes and tasks.

At audition carrying out it can appear that depending on a post experts differently estimate a situation and frequently pursue the different aims. So, for managing a warehouse the problem consists in providing the most effective service of customers while the bookkeeper will aspire to find ways of reception of materials under the lowest prices.

According to it there are various methods of an estimation of degree of efficiency of functioning of the organization - from quantitative characteristics to especially qualitative. Audition is spent under the guidance of employee specially appointed for this purpose with attraction of all interested persons for development of the primary goals. The right to interrupt process is given at any time to the head. Before factors of an estimation of productivity will be developed and optimum values of criteria are designated, it is necessary to achieve the consent between the head and what activity is object of studying.

1. Development of criteria of an estimation

After the purpose of carried out action is clear, it is necessary to develop criteria of an estimation of efficiency. For this purpose it is possible to use answers to questions: «That in your opinion, grows out or negative display of the errors admitted in an operating time? » From the received answers choose enough of estimated criteria.

2. Definition of optimum values.

In view of absence in handbooks of ready keys on which it would be possible to compare degree of a divergence of the received results to specifications, it is very difficult to install them at the very beginning of working out of the program of audition. It is considered expedient to start

formation of optimum levels of an estimation of efficiency after monitoring carrying out.

3. Search and the control.

At this stage the selected criteria are grouped and start tracing of the arriving information. It is quite probable, that service of monitoring already existing in the organization will not correspond to the problems assigned to it and cannot provide gathering of the necessary information. In this connection it is desirable to develop and introduce the parallel system which format will give the chance to receive the information meeting requirements of the general audition or the analysis of concrete aspects of activity of the organization.

Duration of performance of tasks can be traced on the basis of forms and waybills in which date of the order is put down, processing etc. However the estimation of other factors connected with a degree of service, is at a loss. To leave this situation it is possible, having given to clients' possibility to state an estimation of quality of service on ball system. The given question is necessary for discussing in the beginning of development of the program of audition.

4. Comparison.

In case optimum values of criteria are installed by the head of the program of audition, comparison of the received results is spent by a fact-possibility principle. However that working out of criteria had no analogues in the past, comparison by a principle the fact the previous indicators would be more correct, probably. It is better «than a category - can be» is worse applicable for comparison of the private indicators which sum will give the general point of activity of the organization.

5. Estimation of the received results.

By comparison of results of activity to the developed criteria following answers can be received:

Worse, than it was supposed;

Better, than it was supposed;
At the same level.

Each indicator demands the differentiated approach. If the indicator (C) the purpose of internal audition can be considered reached is received, and the basic question of the further work considers definition of degree of an overall performance. In case of reception of indicators (A) and (B) careful studying of a question is necessary.

6. Audition results.

The arriving information should be at the disposal of the head of the program of audition. As the most convenient form of giving of the information of problems, audition stages, indicators of internal activity of the organization the report on results of the analysis in which find the reflecting questions of definition of the purposes, can serve in comparison to criteria and motives of transformations.

The procedure of audition described from above has analytical character and is intended for development of recommendations with a view of realization of transformations though often they begin already in the course of audition.

After carrying out of internal inspection, revealing strong and weaknesses and weighing of factors on degree of importance the management can define those zones which demand the immediate attention, those which can wait and against what it is possible to lean to take advantage of possibilities in an environment. Having resulted internal forces and weaknesses in conformity with external threats and possibilities, the management is ready to a choice of corresponding strategic alternative.

Before each organization there are four strategic alternatives: the limited growth, growth, reduction, and also a combination of these three strategies. After the management will consider available strategic alternatives, it then addresses to concrete strategy.

The simplified technique of definition of position of the organization and its products in relation to branch possibilities has been developed by the Boston consultative group.

The enterprises operating in the unattractive market and possessing in low potential of competitiveness, take of a position of "dog" and should change it as soon as possible. Low appeal of the market at strong position on it allows speaking the enterprises about a position of "milk cow". In the far future it is the basic source of profit of firm.

High appeal of the market and competitiveness more potential give the chance to the enterprise to take of a "star" position. "Stars" in an enterprise portfolio should turn gradually to "milk cows".

«?» (The question sign) means low competitiveness in the attractive market. The enterprise should think of how to raise potential of competitiveness and to transform «a question sign» into "star".

The estimation not only separate products (markets), but also their combination has value. Prevalence in a portfolio of firm of "milk cows" provides short-term success. "Stars" demand high capital investments which can appear to firm it is too expensive.

Task: define, using a technique of the Boston consultative group, position on educational services of our university.

Strategic planning gets sense only when it is realized. For realization of the strategic plan first of all it is necessary resources. The basic stages of the strategic plan are tactics, a policy, procedures and rules. Rules and procedures promote achievement of the purposes of the organization.

1. Specify to workers a direction of actions which by experience with high degree of probability should be successful and promote achievement of the purposes.

2. Raises efficiency by an exception of repetitions of the process leading to the satisfactory decision.

3. Give the chance to the head to expect precisely, that subordinates in a concrete situation will do.

4. Allow spending exact comparisons with last results or results of other groups (and as the similar task is carried out by similar way it should be carried out each time with identical or growing efficiency).

In realization of the strategic plan the important role is played by board of directors which bears responsibility for six functions, concerning management area:

- Maintenance of a continuity of a management with the organization, replacement of the incapacitated or retired managers.
- Acceptance on itself of responsibility for appropriate use of joint-stock resources.
- Supervision over that heads undertook reasonable actions taking into account mission and the company purposes.
- The statement of the basic financial and operative decisions of a management.
- Organization representation before other organizations and groups, external in relation to the given firm.
- Preservation, revision and maintenance of observance of the charter and company regulations.

Tools for realization of the strategic plan are budgets and management on the purposes. Strategic planning is a process going from top to down which should be supported, be stimulated and be estimated by the top management constantly. When the impulse from the higher official weakens, process exhausts also. Formation of its process formal (i.e. carried out officially, on the basis of accurate criteria and procedures) estimations will be serious check of the strategic plan.

At an estimation of process of strategic planning it is necessary to answer five questions:

1. Whether strategy of organization internally compatible to possibilities is?
2. Whether strategy assumes admissible degree of risk?
3. Whether the organization sufficient resources for strategy realization possesses?
4. Whether strategy considers external dangers or possibilities?
5. Whether strategy by the best way of application of resources of firm is?

Task: define strategy of development of university at the given stage and answer questions.

Questions and tasks for self-control

1. As such factors very influence organisation activity:
 - suppliers - competitors
 - is standard-legislative base
 - a political situation
 - an economic situation.
2. Make SWOT - the analysis of the activity, according to the resulted example. An example: proceeding from an estimation of inwardness and researches of an external environment the analysis of activity of "Molochnik" is carried out.

<i>Strong sides</i>	<i>Weak sides</i>
Sufficient raw-material base, the low cost price of production, the personnel with an operational experience, a considerable relative share of the market, the big assortment, a stable financial position, readiness of a management for risk.	High deterioration of production assets, inefficient use of resources, prevalence of manual skills, low fund using, absence of service of marketing, presence of unprofitable kinds of production, disproportionate growth of own and involved

	capital, low degree of readiness of the worker to changes, misunderstanding in collective.
<i>Abilities</i>	<i>Treats</i>
Commodity market expansion, goods turnover and core escalating and a working capital, economy on manufacture scales, growth of labour productivity and material security of workers, increases of level of professionalism of staff, assortment expansion, creation of a dealer network, profitableness increase, process equipment modernisation, creation of system of organizational culture at the enterprise, production export on regions and to Russia.	Increase in level of a competition in branches, technological backlog, unsuccessful investment policy, decrease in a skill level of the personnel.

3. Give an example the general and special functions of management:

- operative
- short-term
- perspective

4. Give an example decisions concerning the future activity of the enterprise on each kind of planning:

- strategic
- tactical

5. Create own plan of strategy:
 - the analysis of competitors
 - workings out of the new goods
 - analysis suppliers

Theme 4. Mutual relations of powers in the organization.

Plan

1. Delegation and responsibility
2. Features of selection of staff

Methodical directions: within the learning of new material you are proposed the ability to its consolidation and cultivation of practical skills. For this you are proposed to do exercises given in lecture.

1. That plans have been realized, someone, obviously, should execute actually each of the problems following from the purposes of the organization.

For coordination of many problems and accordingly, formal mutual relations of people, the organization of their actions is necessary.

Organizational process has two basic aspects: division of the organization into divisions and mutual relation of powers. Relations between levels of authority are established by means of delegation. Actually the essence of management also consists in ability «to achieve performance of work by others». Before to solve a problem of effective delegation, we will disassemble concepts of responsibility and organizational powers.

Responsibility is not that other as the obligation to carry out available problems and to be responsible for their satisfactory decision. Responsibility means that the worker is responsible for results of performance of a problem before that who delegates to his responsibility. For example, at registration for work as the worker on firm "Sleepyhead" assembly line. Incurring this responsibility, the worker should disassemble and anew collect the TV in case of the error.

It is necessary to realize accurately that delegation is realized only in case of acceptance of powers, and actually responsibility cannot be delegated. For example, the head of a surgical brigade delegates many important duties to staff nurses. But, if the patient dies that the nurse has chosen a wrong blood type for the transfusion, responsible for it will be the operating surgeon and he will be brought to court for a criminal negligence. Similarly, if the trading agent does not execute the plan, the head of a sales department, instead of the trading agent, should answer the sales manager. In the large organizations heads of the top echelon seldom communicate with subordinates at the lowest levels which actually carry out the majority of specific targets. Nevertheless, they bear responsibility for affairs of firm and the subordinates.

Delegation process is continuously connected with following concepts:

Duty = powers = responsibility

At studying and mastering by methods of process of delegation it is necessary to consider that without fail there should be a full conformity between these elements of process of delegation, i.e. for performance of the charged work the subordinate should be allocated by necessary powers and in their frameworks to bear responsibility.

Each head is obliged accurately and clearly to itself to represent that infringement of the above-stated conformity is one of the serious factors causing a stressful condition.

Delegation process should be used, when the subordinate can make the given work better the head. Unfortunately, many heads in every possible way avoid delegation just because their subordinates in something understand better. Meanwhile in it there is nothing the head dangerous to reputation as nobody expects that the head understood in all best. The main task of the head (and it defines

its authority) - to be able to use with peak efficiency knowledge of the subordinates, when:

- Excessive employment does not allow the head to take up the issue personally. Time and his forces are not boundless and still nobody managed to do all work of the division, in addition precisely in time;
- Will allow the head to liberate forces and time to be engaged in the important issues which decision is possible only at his level;
- Allows to achieve clear split of the administrative personnel, clear understanding of the purposes and administrative problems;
- Promotes constant professional growth of subordinates and allows to bring up responsibility for the charged site of work;
- Allows to achieve independence, the creative approach and corresponding results from subordinates;
- Allows studying possibilities of subordinates, to form objective estimations of efficiency of their activity;
- Allows the head to give more attention to questions of studying of achievements in the field of a science, technique and manufacture.

On what difficulties and the errors supposed in the course of realization of delegation, it is necessary to pay attention:

- The insufficient competence of the head. The situation when the head is not ready to solve large and perspective problems is very often observed, and he does not focus the successes to the small questions, concerning indemnification of subordinates. He holds down the initiative, deprives of possibility to work systematically. Such head as though blocks the executives who are more low in hierarchy of a control system or corresponding experts and by that sharply

reduces a mental potential and organizational resources of collective;

- Fear that can "eclipse" him (head). Such head as though is afraid to lose to the subordinate at performance of certain kinds of works, to lose prestige. It is necessary to remember what to be more competently the experts (subordinates) in each of solved questions the head cannot, it would not possess what encyclopedic mind. Subordinated (expert) is obliged to know and understand solved questions more deeply. The professional authority of the head is measured not by depth of knowledge of separate fields of activity of collective, and ability to create such conditions at which each member of collective in the best way will apply the abilities. The head should consider that most all to do and in time to understand senselessly - will not suffice either forces, or time. The head, aspiring to be well informed about all details, concentrating at itself an information considerable quantity, without having time to analyze and use it, sooner or later loses the control over a situation. If you do not know something, - tell about it directly. A truthful recognition that you do not know how to solve this or that problem will not put so strong blow to your authority. But next time, when you will tell that you know the comprehensible decision of a problem is unique, to you will believe where easier;
- Mistrust to professional abilities of subordinates. Certainly, always there is a certain risk when the subordinate is entrusted with the performance of the certain task;

Subordinates cannot know the problems facing to the organization. Presence of the purpose, certain problems is a basic beginning of process of interaction of the subordinated head.

- The head most likes to perform pleasant work from which the subordinate will easily consult. If the head sinks in trifles, it is disastrous for business, however fur-trees he simply waves away from trifles, it precisely also is pernicious. The problem consists in that everyone subordinated to place on a fitting place. The head should remember always what to learn and induce others demands much more will, knowledge, than simply to participate in the general work;
- Inability to explain. How the subordinate has acquired initial instructions of the head depends, whether he will consult with a problem, you to him delegated responsibility, for which decision. At this stage of the head the possible error when, having instructed the subordinate traps, it asks it a question: whether «Have you understood All?». If the head takes advantage of such formulation, it is possible to be assured that the answer will hear at once: - "Yes". Has put here in one very thin psychological nuance. The subordinate can see behind it doubt in its mental abilities. To deny this suspicion, he hastens to assure of full understanding of the told. Therefore it will be better, if the head generates the same question in another way: whether «I am enough clearly you it have explained? » Such formulation already means absolutely another - your doubt in clearness of an explanation. Now to it something is not so a shame to tell like: « Yes. Quite, but here I would like to specify something »;
- Peevishness. Anything so does not irritate subordinates, as continuous grumble of the chief concerning that he has solved this problem absolutely in another way. Never express the displeasure to how there is a situation if you do not have specific proposals on his improvement;

- Lacks of organizational structure of a case when in submission is one-three worker. At this situation the head inevitably interferes with their functions, substitutes them.

It is necessary to remember always that at the heart of delegation process the recognition of possibilities and abilities of the subordinate in performance of this or that task lies. If the executor is convinced that delegation of functions of the head - a recognition of his competence and ability the effect of delegation increases. At the same time, if the executor of low opinion on diligence and work capacity of the chief any delegation will be apprehended as attempt to shift the functions on shoulders of subordinates.

What to delegate?

- Routine work;
- Specialised activity;
- Private questions;
- Spadework (projects, etc.)

Are not subject to delegation:

- Such functions of the head, as an establishment of the purposes, decision-making on development of a policy of the enterprise, the control of results, forward planning;
- Management of employees, their motivation;
- Problems of special importance;
- High risk problems;
- The actual, urgent affairs which are not leaving time for an explanation and check;
- Problems of strictly confidential character.

How to delegate? Delegate beforehand! Decisions on that as to whom you want or should charge, accept right after drawing up of the working plan. It is necessary to remember always that delegation process is not single activity which has incidental character, and constant process, long-term.

Delegate in compliance with abilities and possibilities of the employees, and also taking into account necessity of motivation and their stimulation.

Delegate a problem or work whenever possible entirely, instead of in the form of the private isolated tasks.

Explain to the employee about what there is a speech: about a separate case or about long delegation.

Homogeneous problems delegate whenever possible to one certain employee.

Make sure of that, can and whether the corresponding employee wishes to undertake a problem.

Do not charge the same work for reliability to two employees who are not knowing about it.

Give to the employee fuller both exact instructions and the information on his problem and be convinced that the delegated commission is understood correctly (the employee can make only about what you to it will tell, instead of that you represented to yourselves at a task statement).

Large and important problems charge a mandative way if it is necessary - in written form.

About new and urgent problems give manuals on a five-step method:

- To prepare the employee;
- To explain a problem;
- To show, how to do work;
- To entrust the employee the further execution under supervision and to correct it;
- To transfer to the employee work entirely, carrying out only the control over its execution.

Give to the employee possibility of the further vocational training with a view of the best performance of the responsible problems charged to him.

Provide to the employee access to any necessary information.

Avoid that without any reasons to interfere with working process and by that to cross out delegation.

Demand from the employee of the report through the established time intervals how business moves ahead.

Supervise end results of the charged business and immediately inform the employee on results of the control.

Structurally praise successes, criticize lacks and failures in work. Allow the employee or to represent in highest authorities the charged problem as his work, or to participate in its representation at corresponding level.

Delegation process always should occur at observance of 5 principles:

- Control range (factors, his defining: abilities of the head and the subordinate, work type, territorial placing, motivation of workers, importance of work etc.);
- The fixed responsibility;
- Conformity of the rights and duties;
- Transfer of responsibility for work on probably lower level (remember the law of delegation of Raska: «... if to delegation of powers to pay attention, responsibility will collect below, like a deposit»);
- The reporting on deviations.

It is interesting to each head to know, in what degree he owns delegation art. Try to estimate yourself from an ability position to delegate by means of following questions:

- You work usually longer, than your subordinates?
- Whether you spend time for routine works which your subordinates could execute?
- Whether you aspire to put the visa on each piece of paper?

- Whether your desktop by papers after your absence for any reasons on a workplace is filled up?
- Whether you continue to prosecute subjects and problems which to you should be solved before?
- Whether often you tear off from affairs by questions or requests which concern tasks carried out at present or projects?
- Whether it is necessary you to hasten constantly not to leave time schedule?

If you have given 4-5 affirmative answers it makes sense to you to be engaged in perfection in delegation questions. About it better to say so: «do not do that you can charge to another». However, before to give the task to the subordinate, it is necessary to check up, it does not require additional preparation or the information for this purpose, i.e. whether he can carry out the given task qualitatively. The head should show consideration for delegation from below. The dexterous subordinate can skillfully use so-called return delegation. It is necessary to be afraid of it and in every possible way to avoid.

It is necessary to understand that the decisions by the head, the more low management level are more often made.

On the basis of interrogation of managers by researchers the conclusion that it is impossible to wait for professional success without high skill to communicate is drawn, abilities to operate people and to delegate powers. According to the majority of respondents, it is the most essential aspects in activity of the head. Thus managers notice that delegation by the head of tasks by the subordinate is connected with a number of psychological and technical difficulties, methods and delegation forms are developed.

As a rule, delegation assumes the time commission subordinated that problem which does not enter into a circle of its direct duties. The thought over delegation raises

productivity of work of division, motivation of the executor and the head. Tasks are necessary for delegating, providing concrete terms. Duties of the head include definition of the purpose of the task, and also the control over its performance. It is recommended to delegate the planned and repeating operations which performance is capable to provide high quality of accepted decisions.

Delegation is directed on management efficiency increase, allowing the head to turn the greatest attention to priority problems. It is necessary to give preference to delegation of those questions which subordinates understand not less competently, than heads, and also the tasks which performance is connected with considerable expenses of time.

Delegation art consists in a skilful combination of specific methods and knowledge of psychology of people; the special role is played by the factor of mutual trust. Process of delegation of responsibility includes some stages:

1. The analysis of function carried out by the head (the personal and professional purposes, expected results and changes).
2. Choice of the delegated task (definition of repeating tasks, tasks, for which performance is spent a lot of time and which can be qualified are executed by other employees, increase of their motivation).
3. Definition of conditions of delegation (volume and commission time, estimated indicators - quality, productivity), a quality monitoring.
4. Choice of the executor (the motivation and competence analysis influence of performance of the commission on functioning of all division).
5. Process of performance of the delegated task (preparation of the executor, delivery is necessary for it to the demanded information, definition together with it of performance stages).

6. The control over results (strict observance of operating rules; planning of stages of the control; estimation).

Task.: define level of delegation of your curator. Note errors in its management style.

Resulted below the recommendation to heads promote successful delegation of commissions and responsibility.

- do not consider him irreplaceable; surround him reliable and qualified employees. Development of your own knowledge and abilities is connected with development of the competence of employees which should learn to incur responsibility.

- Be able to choose correctly time of distribution of commissions, to carry out their selection, to define performance methods.

- do not save time and means for preparation of the personnel to performance of the commissions which are not entering into duties.

- Be able to make a correct choice of the executor, acquaint it with rules of an estimation you of the carried out task.

- Charging tasks render trust to the subordinate.

- Estimate results of the performed work, instead of applied methods, leaving the executor a certain freedom of action and the right to the initiative.

- Encourage successful performance of the commission, in it one of success factors. Delegation also assumes the right to an error, consecutive improvement of results.

- At distribution of commissions between executors it is necessary to consider their character. Distinguish four levels of participation:

- Task realization according to certain conditions;

- Help maintenance in case of need (absence or increase in working loading);
- Coordination. Constant supervision over a course of performance of the task, the analysis of the received results for the purpose of their updating in case of need;
- The control over execution under the established schedule.

In modern conditions especially actual there are problems of innovations. However to make this process painless for the organizations and people working in them uneasy enough. The matter is that social moods in any organization are that that they initially conflict to any changes and transformations.

But there are some precepts, councils, to which leaders should follow, carrying out the transformations if they wish to avoid strong accidents and shocks:

1. Be extremely fair, hiring itself of colleagues, recruiting of ranks of the supporters. When expectations are too great also promises are too tempting - disappointments from illusions at people become inevitable.

2. Provide to yourself support among the people thinking how you irrespective of, you gather or not to involve them on the party.

3. The plan of any changes in the organization should be based on a solid conceptual basis always. It is necessary to have accurate and a fair idea about that as how to change.

4. Never be in a captivity of own rhetoric. The head who is entirely grasped by rhetorical exercises, almost inevitably loses sight of much more important problem - maintenance and hardening of already done changes and realization new.

5. Do not resolve that who resists to changes, to assume the right on basic principles as such people not only have any internal incentive force to struggle against changes, but on their party, as a rule, tradition and history, and they will call fidelity to a cultural heritage.

6. Know the territory, a struggle field, district where it is necessary to conduct "operations". The head who aspires to carry out successfully changes, should know all necessary about the organization.

7. It is necessary to know, understand and appreciate factors of the organizational environment. Not very well, however, loud and inspiring those changes which you try to carry out, but if they generate more and more inconveniences and discomfort in the organization are profitable, they, most likely, are doomed to failure.

8. Avoid a future shock. When the head is too involved in planning, too directed in the future, to achievement of new boundaries, he often forgets the past and neglects the present.

9. Remember that changes are most successful when on whom they are directed whom directly mention, are initially involved in planning process.

Task: Note your lacks of a question of delegation of powers. Try to choose and write for itself the recommendation directed on increase of a management style.

2. The great value in any organization should be given to selection of shots. It is especially important for the new, beginning enterprises. For creation of an effective command of managing directors and experts at the new enterprise it is necessary to adhere to following rules:

1) Employ the people having an operational experience;

- 2) Select only qualified employees, especially when it is necessary to employ as him other people;
- 3) Try to find out, whether correspond preparation of employed employees to organizational culture, system of values of your firm;
- 4) Try to find people with whom you already worked in the past;
- 5) Try, that your administrative team was as less as possible;
- 6) Count better money, after all profit - the purpose of any enterprise.

Task: analyse, as the set of students at our university is carried out.

In connection with last resulted rule, to each manager, the businessman, the businessman expediently independently to weigh and estimate own chances to become the millionaire. It is known that one of the richest people of the world - the sultan of Brunei. He is the owner almost 14 billion dollars. The richest Austrian - publisher Charles Kahane. He owns almost two billion dollars. Certainly, the sultan a little that has earned itself. A leading role the inheritance and work of subordinates have played. On the contrary, K.Kahane worked independently.

The American millionaires, beginning for cleaners of boots in streets and beaten out in people are known also. Even at us in the former USSR, the modest engineer from A.Tarasov's city municipal service for a short time interval of co-operative activity has managed to excite a turn of the firm to a million mark. At growing rates of introduction of the market it is not excluded occurrence and other millionaires. But who is capable to earn one million legally? Here the Viennese newspaper "Kurir" has taken care of it. It has published the corresponding test from 12 questions.

Task: Would you be a good manager? Prove the decision.

In summary it is possible to result the most typical errors of the managers, disturbing it in achievement of professional success and, finally, a million conditions. Errors of the manager are formulated by the American experts E.Shvarts and A.Makkenzi:

1. Leaving office doors opened in hope to improve dialogue with employees, managers, as a rule, reach return result: they often distract.

2. Frequently managers do not plan the activity because on it they do not have enough time. They do not understand, what exactly effective planning saves time, allowing receiving the best results.

3. Managers are inclined to react on urgent, instead of important issues. Hence, they neglect priorities, generating works involving all hands in the future.

4. Expecting late and without opening meeting, we punish come in time and we encourage those who was late. It is not excluded that come today in time next time will be late, and late will come still later

5. Managers are not inclined to subcontract the powers and responsibility to not skilled subordinates. But after all subordinates can deserve trust of the head, only getting hand in, and it is possible only at independent performance of responsible tasks.

6. Managers leave papers on the tables not to forget about them. Then papers either are lost, or cease to draw to itself attention and only disturb to work by which it is necessary to do at present.

7. The longer the manager is late on work, the more he will be in time and the more at it will appear affairs which need to be executed still. As a result it is necessary to be late even longer.

8. Managers usually mix concepts of efficiency and efficiency. The correct performance of work, than performance of correct work worries.

Questions and tasks for self-control

1. By means of the resulted test define the level of delegation peculiar to your management style. On the put questions it is provided four kinds of answers: "always", "often", "sometimes", "never".

The test for an estimation of level of the delegation peculiar to your management style:

1. Whether employees can replace you in case of your absence?
2. Whether you postpone the important work to undertake another?
3. Whether you recede sometimes from the planned plan?
4. Whether difficultly to you to find the employee, capable to assist in a case when you are busy?
5. Whether you consider, what it is easier most to carry out the task, than to waste time for an explanation to employees how it needs to be made?
6. Whether you work over put time?
7. Whether there are at you fluctuations at a choice of the executor among several employees?
8. Being overloaded with work, whether you find time for an explanation to employees, what you from them wait?
9. If your problems are difficult, whether you have doubts at the commission to their employees?
10. Whether at delegation of tasks there is at you a feeling of mistrust to employees.

11. Whether you consider, what delegation promotes power loss?

12. Whether you consider, what it is necessary to reconsider a payment of subordinates in connection with delegation?

13. Whether you doubt possibility of realization of an effective control behind delegation?

14. Whether your higher head disapproves of delegation of tasks by subordinate?

15. Whether you delegate small or "ungrateful" kinds of works of minor character?

16. Whether disturb you requests for task specification in the first days after you have given the order?

17. Whether you find lacks of commission performance?

18. Whether difficultly to your employees to define limits of the delegated task?

19. Whether you consider possible to increase volume of delegated tasks, considering working loading of employees?

20. Whether you consider, what delegation of tasks and responsibility can leave you without work?

If 15 from the received answers - "sometimes" and "never" you concern a category of the heads who have seized technique of delegation. If it is less than those, to you will be useful resulted below the recommendation.

Theme 5. Management organizational structures

Plan

1. How to achieve the effective organization
2. What should be the organization?

Methodical directions: within the learning of new material you are proposed the ability to its consolidation and cultivation of practical skills. For this you are proposed to do exercises given in lecture.

1. The good organization interferes with occurrence of conflicts between separate people during the joint decision of any problem and excludes work duplication. It does communications, so important for effective work, much easier as all channels to be kept opened, and each knows, who to it needs to be informed. Official diagrammed reflect promotion possibility. They speak to people on what post they can expect. The good organization supplies a favorable basis for perfection of individual qualities and abilities. If each knows that the person, holding is obliged to do a certain post each has a possibility to evaluate, how much its personal qualities correspond to the presented requests.

When responsibilities of each worker are defined properly, the problem of appointment of fair official salaries is decided much easier. The good organization allows the company to extend, without forcing thus main chiefs to work too tensely. Activity of administrative divisions is organized in such a manner that any person is not transshipped by work. Result is freedom and cooperation atmosphere. The person works better if knows before whom he answers and in what its debt and responsibilities consist. Internal friction and skirmishes occur much less often.

Responsibilities should be defined. Responsibilities, authorities, responsibility and mutual relations of each member of organizational structure should be accurately defined, that people did not breathe in a nape one another and did not attack a heel.

Principle of authorities and responsibility. Responsibility for work fulfillment should be accompanied by authorities, supervises and perform a course of this work. It is not too good to entrust work if the worker does not have means and possibility it to make.

Do not dump responsibility on others. The chief always is responsible for actions of the subordinates even if he has made them responsible for the entrusted work. Nobody can decline all responsibility or lay blame on others.

Uniformity principle. If the company works effectively and without failures it is essentially important that concrete people and concrete groups were entrusted with the similar problems and to order identical responsibilities. There should not be a distinction between separate people and groups.

Problem definition principle. It is necessary for each part or organization division to have the problem, and this problem should be in harmony with the purposes of all organization. Each department should represent accurately that it needs to do, how many otherwise there can be a chaos.

Exception principles. The chief should be relieved of details of daily activity to give to more time to questions of the general policy of the company and prevention of possible crisis. He should attend to details, only when somewhere there was a serious failure and chiefs more a low rank cannot correct it.

If not to apply this principle of "exception", chiefs will be so are involved in small daily questions that really important issues will appear are thrown. Chiefs should solve only such questions with which other people not in a condition to consult.

The task for material development: analyze each of the resulted principles and describe that expects the organization if she does not adhere to them.

2. Experience of the largest foreign firms shows that organizational decisions inseparably linked with concepts of the general development of the enterprise.

It is more low resulted ten "precepts" which throughout last 20 years are guided by in the activity of 17 most prospering companies of the USA (IBM, the DECK, McDonald, Caterpillar, the Boeing, etc.)

1. Orientation to the immediate practical decision of arising problems;
2. Aspiration to be closer to the customer;
3. Enterprise Partitioning on small divisions and the branches having significant independence;
4. Creation at the atmosphere enterprise when each worker understands the importance of the contribution in increase of productivity and quality of production;
5. The Maximum involvement of the managerial personnel into an enterprise life;
6. Education at workers of a pride for manufactured production;
7. Minimum quantity of levels of management, the least number of managing directors of the top echelon;
8. Centralization Combination (in the top administrative echelon) and decentralization (at level of divisions, working groups, etc.);
9. Brevity of the transmitted information;
10. Support on the human factor.

Task: analyze, as these ten "precepts" at university are executed. Describe to what results their ignoring.

Transition to market economy makes new demands to organizational structures of management of the enterprises. So, for example, maintenance of ample opportunities for enterprise causes necessity of following changes for organizational structure:

- Strengthening of the functions connected with marketing;
- Increase of a role of strategic planning, conceptual management (in a counterbalance to functions of an operational administration prevailing now) in the top echelons;
- Realization of a system estimation of the managerial personnel with allowance for complex results of their work, and also motivation;
- Close interaction between trading-marketing divisions, the departments attending to technical development. And administration.

The estimation of enterprise efficiency in comparison with world level means coverage by organizational structures of following functions:

- Regular comparison of a level of development of the enterprise to the level reached by firms-competitors;
- Comparisons of technological level of production of the enterprise with the world standards;
- System analysis and an estimation of efficiency of own production, introduction of progressive principles of management on the purposes;
- Mid- and short-range planning with a stress on the financial plan which acquires paramount significance in comparison with other forms of planning.

Task: offer the program of increase of efficiency of activity of university.

The request of increase of flexibility of reaction to requirements of the market is connected with realization of new functions:

- Dynamical complex estimation of new prospects and present possibilities with automation use; constant interaction of sales departments and technical development;
- Reduction of number of administrative links with the purposes of creation of preconditions for production management automation;
- Objective consideration of investment problems with allowance for criterion of flexibility and its technical training;
- Automation Introduction in spheres of production management and production preparation;
- Creation effectively acting «afterproduction» divisions, including service of the information on satisfaction of requests of the customer.
- Production internationalization, connection to system of the international division of labor dictates necessity;
- Organizational registration of the functions supplying joining of the enterprise to international banks of the data and use of this data for needs of the enterprise;
- Strengthening of functions on complex preparation of the enterprise for sharing in various forms of the international cooperation;
- Realization of the accelerated development of the computer-aided manufacturing which introduction is the precondition of successful industrial cooperation in the international scales;
- Reductions of terms of course of production according to concept principles is exact-in-term".

The request of improvement of quality of production means:

- Quality management Promotion in a rank of one of the basic lines of business of a management of the top echelon;
- Delegation of authorities on improvement of quality in all divisions of the enterprise which workers have possibility to influence a degree of quality; connection to this work of all staff of the enterprise;
- Interaction Improvement between the higher and average control links;

Inclusion in function of the MANAGEMENT information system of automated management by quality.

Increase of productivity of administrative work involves following changes in organizational structure:

- Reduction of number of administrative links, especially in production management sphere;
- Decrease in labor input of administrative works at the expense of their automation;
- Replacement of some forms of organizational structures with forms of the flexible organization, expansion of informal contacts, especially across;
- Rationalization of organizational designing with computer facilities use.

The functionality request means that projects of organizational structures should be under construction with allowance for certain problems of development of the organization and to promote their decision.

Undoubtedly, important role in functioning of organizational structures is played by the human factor. Two methods of coordination of organizational structure with concrete executors (chiefs) are possible:

1. The Choice of nominees on concrete posts with allowance for the set organizational structure and certain criteria;
2. Designing of organizational structure is carried out by the chief, proceeding from the submissions, experience and a management style.

The conducted work under the analysis and designing of organizational structures of management for *большого* numbers of the enterprises of various branches of a national economy has allowed revealing following basic defects of acting organizational structures:

- Weak differentiating as reflexing of command management methods;
- Unlimited centralization of management, unwillingness to delegate authority to transfer workers of management personnel is closer to production;
- Overwork number and small efficiency of the staff device;
- Absence of attention to the market analysis;
- Unsatisfactory level of strategic planning (there are no corresponding divisions, the managerial personnel of the top echelon does not feel responsibility for realization of strategic functions);
- Insufficient communication of sales departments and technical development;
- Absence of accurate distribution of functions and authorities between divisions of organizational structure;
- Weak motivation of workers;
- Low efficiency of technological planning.

Task: offer model rational organizational structure of own enterprise, having indicated a kind of your activity.

The following model of perfection of organizational structures and a control system at the enterprise is offered:

1. The Establishment of directions of development of the enterprise as starting points for change of organizational structure. At this stage it is necessary to use objective evaluation procedures of production, economic and an enterprise financial position.
2. Definition of the purposes and problems. At this stage the analysis and an estimation of movement of materials are made during production, its optimum organization is designed; concrete links (divisions) for realization of administrative functions are allocated.
3. Working out of terms of reference and responsibility on each allocated purpose and a problem, distribution of the purposes and problems on structure cells.
4. The Estimation of authorities on degree of responsibility, complexity of decided problems, level of requests, etc., working out of the mechanism of motivation of the managerial personnel.
5. Working out of alternative variants of a combination of centralization and decentralization. Estimation and an optimum alternative choice.
6. Working out of alternative variants of organizational structure, their estimation and an optimum alternative choice.
7. System engineering of economic operation of business, including system of material stimulation of workers of concrete divisions as a part of organizational structure.

In the conditions of transition of domestic economy to rails of market relations, its integration into world economic system the increasing impact of a condition and the factors start to make on formation of organizational structures, connected

with real necessity of mastering of the theory and production management practice for industrially developed countries

Questions and tasks for self-control

1. Formulate own concept of the purpose and organisation mission, between them common features or distinctions. Formulate mission and the purposes of own enterprise.
3. What functions of the chief in your opinion cannot be delegated?
4. Describe organizational culture of your enterprise for directions:
 - philosophy of organizational culture (principles of existence of the enterprise, the relation to employees and clients)
 - dominating values - norms of behaviour
 - a microclimate, behaviour rituals (style of dialogue, the general values, slang)
5. Define functional strategy of your development of your firm on resulted by an example (tab. 5.1.):

Table 5.1. „ Set of functional strategy of development of the enterprise Lugansk milk-firm № 2”.

Strategy	Parts of strategy
Production	Working out and maintenance of observance of technical standards of production, quality of production, production modernisation
Marketing	Construction of system of an information field, the powerful marketing policy, expansion of trade channels
Finances	Observance of economic parities of own and borrowed means, liquidation of an unprofitable line of production (cream), overcoming of dependence on external sources of funds in the

	accessible methods, management of debtors
Staff	Working out of an effective system of selection and arrangement of staff, has grown labour productivity, construction of an effective system of material stimulation, reserve creation on payments of holidays and special bonus fund
Organization culture	Working out of norms of organizational behaviour, working out of psychological trainings for achievement of success, unity in collective, the organisation of sports competitions on track and field athletics of borders by departments

6. Define vacancy on post employment in the conditional enterprise which is the most actual at the present stage. Formulate professional model for free vacancy - the set of criteria on which will occur selection among possible candidates (tab. 3). Make the advertisement on free vacancy. In sense it is necessary to indicate the enterprise name, a post, requests to candidates, work repayment terms, the address and contact phone for inquiries, (no more than 30 words). Develop model of office career for a vacant post, with allowance for promotions on type: "ladder", "springboard" or "snake" (tab. 4).

Theme 6. Motivation

Plan

1. Substantial theories of motivation
2. Remedial theories of motivation
3. Management of motives
4. Methods of moral motivation
5. Encouragement of workers

***Methodical directions:* within the learning of new material you are proposed the ability to its consolidation and cultivation of practical skills. For this you are proposed to do exercises given in lecture.**

1. One of main problems, whom the organizations face today, consists in interesting people. There is an opinion of group of influential psychiatrists according to which all basic methods of behavior of the adult person is mortgaged in the childhood, and cannot be essentially changed in later years. Others consider that can change behavior of the adult person, and do it.

Many researches indicate that fact that workers are disturbed more not by absolute level of their salary, and that, how many they receive in comparison with the colleagues. If workers feel that with them manage unfairly, they show discontent even if their salary from outside can seem enough the high. And if it is not necessary for the worker of more money, and it does not have desire to acquire any things the feeling of self-calmness therefore the desire to work hard vanishes develops.

As a result of interrogation of 150 workers for the purpose of finding-out of their relation to work, it has been established that the reliance of constant employment is the

most important desire. On the second place there was a requirement for a recognition and respect and also interest to work. The size of the salary takes one of last places.

The new equipment or methods always meet with mistrust, on-skolku workers have a fear that it should be retrained; in this connection their earnings will fall.

The workers connected with price-work system of payment with the course of time show propensity to consider the maximum earnings for norm, and owing to it start to put pressure upon administration, demanding substantial increase of minimum rates. The administration of the enterprise applying system of monetary stimulation appears the transshipped paper work.

Between workers often arise envy and insults as some of them are capable to earn much more others or because fast workers are dissatisfied with availability in team of less skilful and elderly workers because of which their earnings suffer.

Often happens difficultly to establish the size of payment as work is not always standardized. It creates an inequality between various kinds of work when thanks to lower specifications some workers get high payment for the work demanding considerably smaller efforts while others because of high specifications receive much less. As a result often there are various frictions.

The term "motive" (the French word) - the incentive reason, an occasion to action. It applies to definition of all factors which cause any action.

First of all, try to understand F.Gertsberga's motivational theory which leans against system of requirements «social person» attentively. It has allocated two groups of incentive factors which named hygienic and motivational.

Hygienic factors - keep the worker from disappointment in work and, hence, interfere with its psychological frustration.

From here and their name. The concern: style of a management, the administrative doctrine of the company, wages, working conditions, interpersonal relations, the social status of the worker, the warranty of preservation of work, style of private life.

Motivators: labor successes of the worker, recognition of its merits, granting to the worker of independence, office growth, professional perfection, enrichment of work by creativity elements.

Number of the most known theories of motivation concerns the hierarchy of requirements of the person offered by Avraam Maslou. It is based that people stimulates aspiration and satisfaction of the requirements that these requirements have hierarchical structure as they can be ordered in process of increase of their importance for the person. On degree of the importance of requirement place in a following order:

Basic requirements, i.e. through payment of the work the person satisfy the physiological requirements: a food, clothes, housing accommodation.

Requirement for safety, i.e. reliance that basic requirements will be and to be satisfied henceforth (pension system; insurance upon illnesses; the rights supplied with the experience of work; the protection supplied with membership in trade union; system of bonuses in the form of firm shares etc.).

The requirement for an accessory to social group is a requirement to unite with other people (the accessory to firm, working group, team, i.e. is a question of sensation of an accessory to firm affairs).

The requirement for self-esteem should satisfy vanity of the person (the post name; own place of work; the power over others; a recognition of good work, the circulation of

associates behind advices on the questions concerning sphere of the professional competence of an individual, etc.)

Self-realization, i.e. requirement of self-expression and realization wished (possibility to be proud of the work; sensation of achievements; office growth; mastering by new knowledge; sensation of possibility to supervise infringing interests of the individual of event).

First of all, the person aspires to satisfy the most important requirement; it for a while ceases to be driving motive.

Simultaneously there is a prompting to satisfaction of requirement following on importance. It only two substantial theories of motivation which first of all try to define the requirements inducing people to action, especially at scoping and work contents.

Task: analyze weaknesses of the theory of A.Maslou.

2. The remedial theory of motivation. In it how the person distributes efforts for achievement of the various purposes and as chooses a concrete kind of behavior is analyzed.

The theory of expectations bases on position that the availability of active requirement is not a necessary condition of motivation of the person for definite purpose achievement. Expectation can be considered as estimation the person of probability of certain event. At the motivation analysis to work the expectation theory underlines importance of three interrelations: work expenses - results; results - compensation; valence (satisfaction compensation).

The justice theory postulates that people subjectively define the relation of the received compensation to the expended efforts and then correlate it to compensation of other workers performing similar work.

The basic conclusion of the theory of justice for management practice is that: before that time while people will not start to consider that their compensation is received fairly, they will aspire to reduce intensity of work. However, it is necessary to notice that the perception and justice estimation carries relative, instead of absolute character.

The degree of satisfaction received at achievement of an object in view, influences behavior of the person in similar circumstances in the future. Generally people aspire to repeat behavior which associates at them with satisfaction requirements and to avoid such which associates with insufficient satisfaction. This fact is known as the result law.

3. The Danish psychologist Madsenom has developed classification and has allocated 19 basic motives of behavior which has subdivided into four groups.

Organic motives: hunger, thirst, a sexual inclination, parent feeling, sensation of a pain, sensation colds (self-preservation) sensation of a heat, анальные requirement (allocation), requirement to breathe.

Emotional motives: fear or aspiration to safety, aggression or бойцовские qualities.

Social motives: aspiration to contacts, thirst of the power (upholding of the claims), thirst of activity.

Active motives: requirement for experience, requirement for physical activity, curiosity (intellectual activity), requirement for excitation (emotional activity), thirst of creativity (complex activity). This or that behavior of people usually grows out of simultaneous action of variety of motivational forces. Thus, motivational systems are formed as a complex of the various motives defining in turn standards of behavior. When motivational systems block one another or conflict, speak about disputed motives.

It is very important to supply efficient control motives. There are 11 rules of management of them:

1. In long-term prospect the positive reinforcement (encouragement) is more effective and more constructive than the negative.

2. Encouragement should be concrete and urgent: the more the time interval, the less effect.

3. Unpredictable and irregular encouragements are worse expected and predicted. People get used to the developed system of stimulation. Absence of an expected reinforcement will cause negative emotions, discontent and to be perceived as injustice owing to what there will come effect of braking.

4. Show sincere attention to associates.

5. Allow to people to feel winners.

6. Allocate the intermediate purposes and encourage them. The big successes are difficult to be achieved.

7. Give to people feeling of a freedom of action, possibility to supervise a situation.

8. Patiently create installation on cooperation, achieve at first small concessions. Once having agreed on small concession, subsequently agree and on the big.

9. Do not restrain self-esteem of others. Grant them possibility «to save the face». The success is usually attributed to itself, failures to circumstances. But big and it is rare to whom the got awards usually cause envy, small and frequent - pleasure.

11. The reasonable internal competitiveness develops abilities of members of collective.

Workings out of Japanese expert Nisibori which has assumed a new view on the work organization are of interest. In particular, work of the person should include following three factors: a creative element (brainwork); an activity element (actually work); a social element (satisfaction).

Task: what motives lead you in the course of training.

The school approach «Social technical systems» which actively supports movement for «quality of a labor life» is worthy. For creation of favorable conditions of realization of organizational changes representatives of this school focus attention on realization «socio-technical optimization»:

- max possible variety of work;
- ability of decision-making, concerning in-progress activity;

- relative autonomy of the worker;
- optimal duration of a cycle of working operations;

Free choice of rate and work rhythm

- feeling workers of social support and a recognition;
- ability of changes of operations;
- creation of systems of the information on current results of work of each worker;
- ability of professional and official growth;

Following conditions are necessary for achievement работанности:

- rational distribution of functions of interacting people;
- fitting personal possibilities to structure and the contents of executed activity;

- uniting various, supplementing one another and by that forming a unit, individual possibilities of interacting people;

- deep interaction assuming desire and ability of interacting workers to expect possible intentions of other party and in advance to co-ordinate with these workers own actions;

- trust of interacting people;

- striving to mutual secure and mutual aid;

- relative uniformity of motives of activity of interacting workers, their relation to the responsibilities

Today the mechanism of labor motivation becomes and more difficult and is more diverse. For the successful decision of problems of management of effort are directed on:

- reorientation of administrative mechanisms on end results of labor process, group tasks, innovations;

- development of alternative variants of the organization of the modes of operation with more flexible parameters, the individualized working conditions;

- widening of stimulating toolkit and increase of a role of levers of activation of innovative activity;

- long-term development (career planning) key work groups;

- forming of new economic thinking of firm personnel which stimulates dynamical changes and enterprise style of work.

4. In practice of the American management three methods of moral motivation of the worker more often are used: recognition of merits, the fair relation, and feeling of personal sharing in success of firm.

Recognition of merits very important in the course of a rising of moral level among workers because many people require special attention from outside managements. Under the form this recognition can be the diversified - simple or more difficult, official and informal, friendly (похлопывание on a shoulder or a banquet in honor of one or group of the caused a stir workers). The main thing that this recognition was sincere because the insincere false recognition can be revealed at once and will bring return result.

Favorism, protection, godshipping, related communications and other similar phenomena habitual for us meet in the American business life much less often. There, where it is observed, the chief fast loses respect from outside subordinates. Visible aspect of justice is the feeling of self-

esteem of an individual. Irrespective of formation, level of intellectual development, a work kind, each person has a pride and dignities. It is especially sharply shown, when it start to criticize (even fairly) in the presence of colleagues. The criticism is necessary, but it will yield more positive results if will occur in confidential conditions.

One of the most valuable methods of moral incentive of workers is demonstration of that its contribution to a production end result is important. Forms of use of this method set. Each employee should know criteria on which its work is evaluated. It is important to develop such rules and methods of the organization of work, and also the control and an estimation of achievements that chiefs did not bear responsibility for position on which they not in a condition to render any influence.

Each would like to realize that its work is socially useful that it require, wait for its end result, therefore purposeful effect on subordinates should be supported with messages on their own achievements.

Practice shows that informing of people on results of work almost twice increases their productivity. In these conditions mutual relations of subordinates become stronger and the chief as often there is no need to the last to remind workers of the responsibilities. Thus, the problem passes in a plane of horizontal relations where not demand special interference of a management does. Methods of organizational communications: belief, compulsion, informing, motivational effect, encouragement and stimulation.

Task: as though you carried out motivation of workers of own enterprise?

Realization of administrative activity assumes use of various motives of industrial work of its workers: sharing in decision-making, professional pride, ethics.

Education requires all. The above moral development, the above insistence to itself. Nevertheless nobody wishes to be object of education, especially on production, therefore the item of the tutor should be whenever possible latent from воспитуемого. Dialogue of the chief and the subordinate should give pleasure to both.

It is experimentally proved that sanguine persons and choleric persons show smaller resistibility and the lowered efficiency in situations when conditions and methods of activity are strictly regulated and do not suppose habitual individual receptions. The regulation leads to their fast exhaustion, therefore they prefer to execute actions with which it is possible to interrupt any way, and also aspire to alternation of non-uniform actions.

Phlegmatic persons and melancholies, on the contrary, in the conditions of a strict regulation find out the big resistibility and efficiency, than choleric persons and sanguine persons. Thus it is clear that instructions are desirable for formulating for people with different temperament on a miscellaneous. For the first - generalized, with a designation only an ultimate goal and the contents of minimum number of auxiliary instructions.

Each worker of management to some extent influences style of activity of the device. But, on the other hand, style of work of collective has certain effect on role motivations of each, on its methods and on its mutual relations with other members of collective.

It is necessary to remember always one of features at interaction «the subordinate - the chief». Here the motivational basis carries more organizational - circumspect character. At horizontal interaction of shots of management has in a greater degree socially-psychological aspect

5. It is necessary to apply various methods of encouragement of workers for non-standard successes, and first of all, diverse encouragements of non-material character:

To notice personal successes of employees and to be attentive to their personal troubles;

Objectively to evaluate potential possibilities and return of workers irrespective of personal liking and antipathies.

The typical forms of moral encouragement conditionally placed as strengthening of motivation;

- realization of confidential conversations with subordinates;

- initiative and activity support, the attentive relation to individual offers;

- a personal informal praise of the chief of subordinate level in the course of business contacts: oral encouragement, encouragement, congratulations on significant dates, etc.;

- a personal praise of activity of the subordinate chief in the presence of colleagues at meetings, during business meetings and at conferences;

- disclosing before the worker of prospect of development of the given organization and in this connection prospects of its office growth;

- the official commission to the subordinated chief temporarily to decide individual questions on its own behalf. It lifts the worker in own eyes, promotes strengthening of the authority, initiative development. Action includes the important stimulus «to justify trust»;

- a constant, the fixed transfer of a part of authorities to the subordinated chief counting upon initiative development;

- the commission to the worker to participate in work at higher level or outside of the given organization in the various commissions, meetings, conferences;

- the commission to the worker to report independently (without presence of the immediate superior) a question on the higher chief;

- the recommendation for performance of the chief with the story about a condition and prospects of work of collective represented to it in the press, by radio and TV;

- the commissions which are beyond usual responsibilities, the separate responsible tasks connected with display of the personal initiative, the competence and administrative art;

- promotion in a reserve on a higher post;

Removal of thanks, delivery of reading and writing, assignment of honorary titles with delivery of various awards; the petition for rewarding by the governmental medals and awards.

Task: formulate questions to the subordinate (indicate a concrete post) for the purpose of an estimation of its activity for last six months.

Task: identify criteria by which your successes in institute are evaluated. Whether they are reliable and whether they answer the validity? Name other, more adequate and suitable criteria.

For improvement of labor ethics it is necessary:

To co-ordinate compensation it is direct with that activity which leads to increase in productivity and an enterprise overall performance as a whole;

To express a public and notable recognition to those people, who's efforts and the received results surpass average indexes of workers of the given category;

In every way to realize a principle on which each worker should receive evidently the share from increase in productivity of the organization as a whole;

To encourage workers to participate together with chiefs in working out of the purposes and indicators on which it is possible to evaluate results of activity of employees authentically;

To pay special attention on those difficulties which the chief of an average link faces at realization of programs of reorganization and perfection of functions and jobs;

Not to suppose occurrence and development of situations at which interests of employees can come to the contradiction with the purposes of increase of well-being of firm (for example, it is not necessary to enter new technology which reduces job safety or forces to work overtime);

Not to try to increase the quality standards till that time while you be able not pay completely all costs connected with it;

Not to create significant rupture between declarations of a management and actual system of compensation;

Not to try to present business so that programs of increase of labor productivity are actually directed on increase of satisfaction by work and its importance;

Not to support creation of any special privileges for a management which expand rupture between them and those who really performs the job.

Questions and tasks for self-control

1. Order the list of needs according to importance to you: interest for work, amount of salary, prestige of the post, social guarantees, work conditions, relationships with colleagues, relationships with boss, honor..

2. What stimulates you to study in general and study well?

3. Give your own defenition and example of necessities and motivs, to your mind what is the difference between them?

4. Calculate indexes of productive work and stability of staff of the shop during the month: income from goods realization – 124000 uah, quantity of sellers – 12, 2 sellers are fired at the beginning of the month.

5. Define which form of salary will be more preferable for workers and propose your own system of paying and material stimulation for employees motivation. Average salary – 1100 uah, hour tarif rate – 6, 57 uah, bonus 10 % from the salary, % from the income – 1 %, non-normed timetable. Dynamics of income in the enterprise during last three months: August – 104000 uah, September – 120000 uah, October - 123000 uah.

Theme 7. System and process of the control

Plan

1. Essence of the control
2. Job satisfaction
3. Control Area
4. It is No more than one boss
5. The Control and the personal initiative

***Methodical directions:* within the learning of new material you are proposed the ability to its consolidation and cultivation of practical skills. For this you are proposed to do exercises given in lecture.**

1. The word "control" as well as a word "power" gives rise first of all to negative emotions. For many people the control means first of all restriction (as a chain for a dog), compulsion, absence of independence, etc., in general all that antithetically to our representations about a personal freedom. Owing to such steady perception, the control is among those management functions which essence is misunderstood more often. However to reduce the control simply to the certain restrictions excluding possibility of actions, harming to the organization and forcing everyone to behave strictly disciplined, - would mean to lose sight of the primary goal of management. In "wider" sense the control is a process of provision of achievement by the organization of the purposes.

The control is very important that the organization functioned successfully.

Errors and the problems arising at the analysis of a situation in the organization, intertwine, if them in time not to correct, with errors in an estimation of the future conditions of environment and behavior of people.

By analogy to it if you were mistaken at calculation of your incomes and expenses because of it you can then commit

even more serious error, incorrectly having drawn the check and by that to cause a serious damage to the friends, business partners or the reputation in bank circles. The probability of such interlacing of errors in the organization is rather great because of high degree of interdependence of types of activity. The great value thus is job satisfaction estimation.

2. The integrative indicator reflecting well-being-trouble of position of the person in labor collective, satisfaction work which contains estimations of interest to carried out work, satisfactions mutual relations with employees and a management, level of claims in professional activity is, satisfaction, etc. is more low resulted by conditions, job management the questionnaire for research of satisfaction by work on production.

Most serious reasons for work change are: disappearance of the valid stimulus to work, a lack of possibilities for professional growth, absence of conditions for creativity, sensation that a management is incapable to appreciate you, irrational requirements to carried out work, the big losses of the operable time which has been not connected with your basic functions, change of the personal purposes, a loss of interest to work.

The decision on transition to a new place of work it should be accepted after careful accounting positive and negative sides of your present activity.

3. By experts it has been counted up that the group of five-eight persons is maximum for one head. Supervision of too considerable quantity of people does difficult position of any head as at it does not remain to time for important questions of a general policy of the company and planning. However number of subordinates strongly depends on internal conditions of the organization. If people have considerable disagreements with each other and there is a necessity constantly to solve arising problems the head cannot consult

more than, say, with 8 subordinates. On the other hand, if the control of people is performed in the independent organization then the head can have in the direct submission at least and 100 persons.

Advantage of the control over a considerable quantity of people consists that position of the head does not allow it to interfere too strongly with work of the subordinates. It will inevitably lead to more favorable moral atmosphere and большей to the initiative from junior managers. Some companies intend expand area of the control for the heads. They charge them the control of work not less than 40 junior managers to weaken the control from above. As a result these managers show the exclusive initiative, work very well and have a high morale. People prefer to work independently, with the minimum extraneous intervention.

The more people enters into a control zone, the communications in both directions will be more effective that considerably will lower quantity of friction in the organization. It, in turn, will reduce a distance between the Supreme management and the bottom part of hierarchy.

At the lowermost level of a management, the less people is in submission of the chief, the it is better from the point of view of human mutual relations. For this reason the large automobile companies declared the decision to limit number of the workers who are in submission of each master, to 10 persons.

4. Any person should not have more than one chief. It can accept councils from many, but only one chief should possess the right to reprimand it or to award. If the person has more than one boss, at it will always adjust their temptation against each other. It can receive inconsistent orders that will lead to misunderstanding. The puzzled person will face such problems: whose order to perform the first how to allocate the time so that to all to please and in anybody not to cause

displeasure and what to do, if it has received orders contradicting each other from different sources.

The lazy worker will receive fine possibility to evade from work, explaining to one boss that cannot carry out the task as it is much occupied, carrying out the orders given to it by another.

The task for material development: describe as though you performed the control at the enterprise.

5. Reject false shame, be not afraid to drop the authority in case you do not know something - address to specialists who solve these questions. Your business is to organize work of collective of specialists, instead of to aspire to become absolute "super expert" on all questions.

Remember once and for all that from three harms: an error, reinsurance, a divergence, the least - the first. The error almost always can be corrected, and here reinsurance and a divergence will irretrievable undermine your authority (and without it that you for the head!).

Management activity problems appreciably dare by use in practice of two processes - the analysis and synthesis. And the expediency and efficiency of management activity is directly proportional to accuracy of the analysis, correctness and synthesis faultlessness, a certain amount of knowledge.

Seize skills of fast reading, and you liquidate your professional lacks much faster.

Wisdom not in knowing it is as much as possible, and in knowing, what knowledge the most necessary what less and what are even less necessary, i.e. speech it is necessary to lead about system of knowledge. It is a question of creation of own system of their use and about constant activity on forming of a file of knowledge which can be implemented in the management activity. Unfortunately, very often it is possible to observe, how aware the person during the necessary moment does not implement the knowledge and in due time does not

solve ripened problems in the absence of necessary level of their organization and, accordingly because of impossibility of their mobilization. Thus, the organized knowledge of the head is a system of the information on how to lead management process according to objective laws of the management.

At the heart of management activity the special place belongs to self-education, independent work on improvement of knowledge. Recommendations:

- to lead daily accounting and to analyze the performed work by means of records in a personal diary;
- to constitute own system of self-improvement;
- to specify specific goals of the professional skill, personal qualities;
- periodically to correct this program taking into account change of a situation and new requirements.

In Japan and the USA consider that insertion of means in formation gives profit: «costs for training do not reduce profit, and increase it. As a result ignorance costs money».

Raising the professional administrative preparation remembers that to intellectual qualities of the head carry:

Logic thinking which is determined by ability to systematize event in causal sequence;

Conceptual thinking - capability to generalize the information in new and more substantial form;

Use of concepts at analysis accomplishment - an explanation of a situation or the decision by means of widely known theory or model.

The basic idea of alternative model of job training of the modern manager consists that if we want that life-long education became an integral part of activity of firms, the organizations, it is necessary to review some basic approaches to training, namely:

People study faster if they are directly involved in the decision of real problems;

Training in audience does not change behavior of the person, practice gives much more. In the organization the practical problem resolution gives especially good effect in non-uniform groups in unfamiliar situations;

Better actively to study on an example most, than to listen about it, therefore visiting of other organizations are the powerful tool of training and change in behavior.

The management should be assured of necessity of training, allocate for this purpose time, remunerate for it and itself to participate in it if learning process goes on a work place. The approach which in the best way considers all these principles, is training through activity.

Development of personal potential is influenced essentially by correct statement of the control. At accomplishment of functions of the control it is necessary to consider a general regime and conditions of activity of management personnel, the schedule of the decision of its tasks. Clearly that it is reasonable for performing during such periods when specialists of the device are less given by the basic full-time job, have possibility of more time to give realizations of the program of supervision or check, or accurately to determine in advance time and the control form.

Effectiveness and efficiency of the control rises also by an establishment of rational means of its carrying out. In this sense differentiate the regular, periodic, single control.

The control task is not reduced only to revealing of discrepancies between actual and planned parameters. The main thing in its carrying out - elimination of the reasons generating its discrepancy, provision of unconditional accomplishment of plans and all standard requirements, creation of favorable conditions for activity of the person on each work place.

Any purpose and planning are effective only so, realizations following them and the finishing control of execution are how much effective.

The control - function analytical which includes supervision for processes in object of management. The control should be: the reasonable; the timely; the operative; to constants; to vowels; the objective; the informal; the careful.

Excessively frequent control can lead to that the head will lose possibility to use its results for active influence on the reasons of the found out lacks.

Control cost should be much less losses at the insufficient control.

The execution control concerns the most effective methods of a management. On force of influence on a state of affairs in collective any other method cannot be compared to it.

The control, being constant function of the chief, it should be considered in the working plan as systematically performed process, after all for it at many heads it is spent 20 and more percent of an operable time.

Questions and tasks for self-control

1. What do you associate with „control”, formulate your own definition.
2. Construct form for your own employees survey on the topic „Are you satisfied with the conditions of your work?”.
3. Distribute functions, posts and quantity of employees in the system: supermarket, beauty salon, and restaurant.
4. To your mind as more people are in the control zone as more effective is the activity, if „no”, than what depends it on?

5. On which level you can control more employees, and why?
6. „No one person must have more than one boss”
– explain why?
7. Which indexes would you analyze in case of
 - Financial control
 - Production control
 - Marketing control
8. Characterize past, present and future control.
9. Formulate the control plan of the task doing:
 - install the discount sale system and analyze its productivity
 - mend the office
 - prepare the report about material condition of enterprise.
10. Think of which indexes and in which departments would you control yourself, and which indexes would analyze your subordinates.
11. To your mind, what kind should be control, and how much time should be given on it?

Theme 8: Technologies in management

Plan

1. Concept of "communications".
2. Communication process.
3. Methods of communications.
4. Kinds of organizational communications.

***Methodical directions:* within the learning of new material you are proposed the ability to its consolidation and cultivation of practical skills. For this you are proposed to do exercises given in lecture.**

1. Effectively to fulfill the duties, the manager can plan work of object of management, organize it, having distributed problems between direct executors and having provided with their necessary resources, to interest workers in qualitative performance of the charged work, to check results which they have reached and, for necessities, to introduce these or those corrective amendments in their actions. This work cannot be carried out if not to make a clear and accurate picture concerning a condition of operated object and environment of its existence which is possible only in the presence of the corresponding information. So, a managerial process basis is the information. It has turned today to the major resource which gives the chance to the organizations to provide the development, to strengthen the strategic positions. In the conditions of considerable division of labor without timely receipt of the information impossible general work. Without it is impossible to formulate the purposes, to estimate a situation, to define problems, to prepare and make the decision and to check its performance. Only she allows carrying out properly to manager's administrative functions

Among the list of works which are carried out every day by the manager, work with the information occupies 50-90 %. It both processing of documents, and the planned both not planned meetings, and telephone conversations, both participation in meetings and sessions and т.п. All these actions are connected with communications.

Communications are a process of information transfer from one person to another (others). Communications (dialogue) the penetrated all control system of the organization. Judgments of the transferred information are the communications purpose of understanding.

Nevertheless communications are not limited to simple information transfer. It can be carried out so that the sent information influenced behavior of that, a clod it addressed, motivated it to certain actions. And it is possible in that case when both parties are assured in because decisions and corresponding actions on the basis of the given information will change a situation on better. For this purpose the information should be authentic, timely, full and relevant (directly or опосредствованно to concern object of management).

2. Requirements to the information unequal at different stages of managerial process. So, at statement of the purposes of value the information volume, scientific and its technical novelty, completeness has. At a situation assessment - structure of the information which gives the chance to use the system approach for the situation analysis. By working out of administrative decisions - its timeliness, completeness, possibility of the automated processing and т.п.

Communication name process, whether in a course those two more persons exchange and comprehend the received information which purpose consists in motivation of certain behavior or influence on it. So, elements of communication

process first of all are persons who communicate - the sender and the addressee.

The perception of the information the addressee is influenced by many factors which depend as from it of own characteristics (level of knowledge, an emotionally-psychological condition, age), and on hundred environments of information transfer (an organizational, technical obstacle, etc.). That sender of the information should not be limited idle time by its transfer, he should be convinced in because messages are apprehended and intelligently by the addressee how it was supposed. For this purpose feedback can be the integral element of communication process. Whether it considerably reduces discharges possible distortion of the information owing to so-called "noise" ("noise" considers both a carelessness of the interlocutor, and presence of other sources of the information, and a bad technical condition of communication channels and specificity of relations "is subordinated", etc.).

Thus, elements of communication process are:

1. The sender - the person who wants to inform the idea or emotions to another.
2. Messages are the intelligent formulation of idea coded by a certain rank for sending to the addressee.
3. The channel - means with which help of the message arrives to the addressee.
4. The addressee is an addressee, the person, what intended information and which interprets for itself its values.
5. Feedback is a reaction of the addressee to the message which bears to the sender the information concerning that, its initial message have been how much truly interpreted.

Communication process begins when one person (sender) (addressee) decides to inform any fact, idea or other

information to other person. This information is important for the sender and he considers that it can be used for achievement of definite purposes, having discussed preliminary it with other interested person. For this sender so gives the information (idea) that it has been in due time accepted by the addressee and has given the chance to it to interpret a situation truly. Last possible in that case when the idea will be transferred in the form of the message convenient for perception which will arrive to the addressee by means of such means (channel) that minimizes its distortions, will provide the necessary speed of transfer and will give the chance to decode the sent information with little effort.

Communication process is considered finished when the addressee has shown the understanding of the information to the sender. Feedback in which course clears up is for this purpose applied, the information is how much truly understood by the addressee. So, it is possible to allocate such stages of communication process: idea origin, information coding, a choice of the channel of transfer, transfer, feedback.

Efficiency of communications is defined by how much it helps to affect behavior of the addressee in a desirable direction. It is reached thanks to realization of communications taking into account some aspects of psychology of the person:

Attraction of attention of the addressee. Making of the decision on transfer of this or that information, it is necessary to be convinced that the interlocutor is adjusted on its perception and gives it advantage, despite possible presence of other information sources. (It is extremely important at dialogue with the chief, in particular if it gravitates to authoritative management style. Communications cannot take place simply).

Message formulations. Experts in sphere of psychology of management advise, formulating the message, to adhere to its certain structure.

It is necessary to describe easily, convincingly a situation which demands intervention, further to show the attitude to it (concern, surprise, etc.), then to explain, how this situation concerns the interlocutor and to what exactly to it the information (“I assured is told that only to you on forces to solve this problem”) and eventually to specify, you wait for what actions from it and as these actions will affect firm possibility to satisfy its certain requirements.

Message finishing to the addressee. Planning communications, it is necessary to remember that their efficiency the big measure depends on a correct choice of the channel of information transfer. It should be joint with type of the symbols chosen for coding (the oral message or written, a graphic representation, beam coupling means, etc.). The channel can answer idea which has arisen at the sender of the information, differently communications will worsen also idea can be misinterpreted. So, the systematized accounting data is better for submitting in written form, than to dictate them on-phone; the order and the order will concern more responsibly if they are stated in written form, instead of orally. Sometimes happens it is necessary to use several channels (for example, messages at general meeting and finishing’s of the decision of meeting to concrete persons whom these decisions concern).

Maintenance of understanding of the message. Any the person in a role receiver does not feel and does not perceive the message maintenance precisely how it was conceived by the sender even if he and is expressed extremely clearly. Through feedback system be convinced that the interlocutor has apprehended the information how you transferred it. Feedback can be as verbal (acknowledgement of understanding of the information through an exchange of remarks), and nonverbal (expression of eyes, gestures, etc.). He gives the chance to establish a measure of understanding the interlocutor of the message, trust to it and the consent with it, and so, reduces risk

of acceptance by it of wrong decisions concerning following actions.

Recognition the addressee of importance of the information. At the given stage receiver to the information can show the readiness to react to it how it is necessary for the sender (manager). Desires or the unwillingness to carry out certain actions will depend not only on that, how much clear on sense there is an information received by the addressee, but also from its psychological condition, from relations between it and the sender. Therefore at dialogue try to come into kind contact to the interlocutor, to look at things his eyes, to provide its reaction to the received information, to understand, how its tax follows to induce it to the actions, necessary for problem elimination.

Action performance. Communications are considered effective if the addressee carries out certain actions for the sake of which there was an information interchange.

Communications can occur different methods - in writing, orally, by means of nonverbal signals (gestures, a mimicry, etc.) and by means of different channels - conversation confidentially, by phone, performance at conference, messages the letter or electronic communication facilities and т.п. Each of methods and channels has the advantages and lacks which causes spheres of their use.

3. Written communications is information transfer on paper or other carriers (in particular, magnetic, laser). Are used when it is necessary to transfer or fix and keep the information absolutely precisely. For drawing up of plans and reports, a writing of reports and the publication of announcements, informing of wide weight of users of the information which are outside the limits of direct approachability (directories, fair brochures, newspapers, etc.) more often serve Their advantages is that they give the chance to prepare thoroughly

the message, to bring it into accord to standard requirements (laconicism, системность statements, completeness, a correctness) and to keep information throughout long time, giving the chance for necessities again to come back to it, to study, whether to supplement to introduce other necessary corrective amendments. At the same time written communications have essential lacks. First, they demand thorough training and considerable expenses of time for a message writing that the stated information was perceived by the addressee unequivocally how that was wanted by the sender. Secondly, feedback at such communications slowed down. If in the letter there will be not clear information or an error, it is possible to spend some days to find out it and to specify.

Written communications in organization borders create system of its document circulation, which appointment - to order and simplify gathering process, processing, transfers and information preservations. Documents which have a standard appearance, facilitate gathering and information ordering, are easily read also convenient for processing. The process connected with drawing up of documents, their processing, passage and preservation is called as office-work. To its functions enter:

Oral communications is a dialogue with the help of oral speech (conversation with the interlocutor alone, meetings, performances before audience, telephone conversations). The economy of time, faster consent which is provided thanks to such compound oral speech, as intonation, loudness of a voice and its emotional coloring is advantage of such communications.

Oral communications are pertinent in cases when the situation demands fast decision-making. They allow to provide operative feedback, to state and give reason for disagreement or to agree with offers of interlocutors. It is explained not only

that oral language is almost instant transformation of thoughts to clear signals, but also that at such conversation it is possible to avoid superfluous details, in particular when interlocutors well familiar and consider on specificity of speech each other. Here can take place “understanding from a half-word” which, in addition, is supported with nonverbal signals (nonverbal communications).

Nonverbal communications are granting's of certain (nonverbal) signals (a mimicry, gestures, expression of eyes, etc.) that testify about the relation of interlocutors one to one and to the information which is an exchange subject. Scientists have established that 55 % of messages are perceived through a look, poses, gestures, 38 % - through intonations of a voice and only 7 % - through words. Nonverbal signals (“body language”) can tell much about inwardness even the stranger, not to mention business partners, whether colleagues of simply interlocutors. They strengthen perceptions the interlocutor heard, confirming its reliability (in case of adequate symbols) or denying (when nonverbal signs specify in a deceit). Skillful their uses allow understanding better people, to carry on negotiations, to solve conflicts, to address to audience, to cause trust of people.

Methods of communications can unite between themselves that raises their productivity. Except simultaneous use of verbal and nonverbal communicative elements in the course of dialogue, it is possible to specify and in wide association of oral information transfer with a parallel illustration told by means of schedules, tables, diagrammed and other fixed images which concern forms of written giving of the information. It considerably facilitates its perceptions, in particular if she difficult and demands time for judgment.

Choosing a method of communications, it is necessary to consider on certain circumstances which accompany information interchange process. So, oral communications are

expedient for applying there where it is necessary to transfer the information immediately and thus through feedback at once to receive acknowledgement in correct understanding of the sent information. Help to comprehend correctly the information nonverbal signals which mostly accompany oral communications, therefore they also should be considered. Written communications are more needed than oral, so far as concerns important details and when it is necessary for parties to fix the information. In certain cases it is necessary to unite oral and written communications (it is possible to inform on session date, having called, and then to send the written message that the addressee remembered it).

Whether the correct choice of methods of communications of their association provides effective information interchange, and wrong - complicates dialogue, leads to misunderstanding which even can serve as the conflict situation reason. At the same time it is necessary to consider and on, whether what channels expediently to use at a choice of that other method of communications. The channel choice is in many respects defined by the message nature, its volumes, complexity in understanding, стандартностью or a non-standard of the information and т.п. It is more convenient to classify communicative channels behind their throughput possibility. Throughput possibility of the channel is a volume of the information which can be transferred through it for one communicative. Spaciousness of communicative channels influence: possibility to process some signals, fast, bilateral communication, an individual approach.

Personal contact as it guarantees direct interaction, transfer of many information signals, instant feedback and the personal approach is the richest concerning these possibilities. Therefore many heads give advantage personal contact in business meetings, in particular concerning important questions. The exchange of opinions here occurs not only on

verbal equal, but also on emotional, subconscious that allows comprehending a situation more deeply and more precisely.

Whether dialogue by phone by means of electronic communication facilities accelerates information interchange, but in this case absent personal contact because of what “body language” drops out of communication process. For this reason popular enough there are videoconferences.

Personal written messages - notes, letters, remarks - too can have a personal orientation, but at their parcel absent fast feedback. Impersonal communicative channels - reports, bulletins - have the least throughput possibility and do not provide any feedback.

The channel choice depends on that, there are messages usual, routine, whether non-standard, difficult. The last, as a rule, are ambiguous and can be incorrectly clear. Often they are transferred in force-majeure circumstances; therefore for this case it is necessary to select the most capacious channels. Routine messages comprise the different data, or simply fix in writing concerning what are already reached the consent and are the oral arrangement. Such messages can be transferred and through less capacious channels. Written communications expedient and when the information is official or when participants of communications kept away one from another on considerable distances.

4. The majority of communications which accompany labor activity is a dialogue of workers of the organization between itself concerning definition of the purposes, distribution of problems, discussion of ways of performance of work, the decision of problems, a correcting of actions, appointment of compensations and т.п. As people, persons such communications name interpersonal are their participants.

In communications between two individuals both parties act both senders of the information, and addressees. Whether the voice (sound) a sight (gesture), and feedback - the

answer of each of participants of these communications is the information transfer channel.

Communications between the individual and group arise when one person (lecturer) proves the certain information to considerable *колы* other persons (listeners). For example, performance at session, conferences, in lecture audience. Communication channels can be the same, as in the previous case, but loudness of a voice, the most active is gesticulation raises, visual means, such how to cry, the presentation technics (projectors, computers, short films, etc.) can be used. Bad feedback which complicates information transfer is feature of this type of communications. The large attendance, usually, reacts to words of the lecturer a little, perceiving them is formal, therefore he should report much more efforts for finishing of the maintenance of the information to listeners and reception of their support. Such communications to be effective demand the previous preparation.

Communications in group arise, when a small amount of people gathers together with a definite purpose (for example, for realization of any project the group where the necessary experts in different functional departments of firm are selected is created). In small group (till 10-12 persons) its each member has identical chances to take part in discussion, to be heard and to co-operate with others, therefore information transfer can be carried out simultaneously divergently which complicates its perceptions and provokes occurrence of misunderstanding. Such groups often name "commands". Not all people can well work in a command, corresponding habits of dialogue here are necessary, in particular such as ability in due time to make a pause in a statement of the point of view to feel counterarguments of the opponent, tolerance to lacks of other people, abilities to be arranged under their way of. Therefore for maintenance of effective work of a command it is necessary

to analyses carefully at its formation ability of these or those persons to work together.

All kinds of interpersonal communications are under the influence of personal characteristics of people - participants of communication process. When at the certain person arises desires to share the information with other person (people), she teaches the thoughts, leaning against the past experience, the attitude, motivations, expectations and т.п. The Interlocutor, decoding the received message, uses the style of thinking, passes the information through a sieve of the concepts and judgments. Therefore it is frequent enough between participants of communication process there are the misunderstanding, caused by personal factors. To them belong: selective perception; semantic obstacles; социокультурные differences of the sender and the addressee of the message; nonverbal obstacles; information overloads; bad feedback. These factors name communication barriers (obstacles). Let's consider them more detailed and we will define, how it is possible to reduce their negative influence on communication process.

Selective perception. This obstacle arises almost always at information transfer and in particular at communications between the separate individual and group. Own perception is a process of judgment by people of an essence of that occurs in their environment. But more often from all streams of the information people select only that draws their attention that is the selective perception takes place. It is considered that those communications in which there are less 30 % of the information already familiar to the addressee will be effective only, are in sphere of their competence and have generated in them certain stereotypes of perception.

People can treat the same information differently depending on a private experience. In particular, the experienced worker knows as to solve the majority of problems

which arise in production, he understands the head from a half-word. The beginner should add much more efforts for judgment of a situation and acceptance of the correct decision. Therefore the head, informing on something the subordinates should know that discrepancy of coding and information recognition follows from differences in their sphere of experience which imposes certain subjectivity both in transfer, and in perception of the information. The person will become interested first of all in that information which can appear its necessary, concerns *когда* its interests. Therefore the sender of the information should find motivational elements in the message which would draw attention of the addressee have interested him and have forced to concentrate. It can be type phrases "To me it seems that only you capable me to understand", "It is very important for your work", "I rely that this conversation remains between us", etc.

It is necessary to pay attention and that selectivity of perception appreciably depends on the social status of interlocutors. As a rule, to words of the chief listen more than to words of the subordinate.

The selective perception predetermines also emotional condition receiver information. Emotional excitation interferes with normal perception of the information - the person feels only itself, is in a captivity of own sensations and experiences. In particular, the anger will cause biases, therefore is frequent enough before to come to the chief, learn from the secretary, in which that mood. Any message in such condition is perceived inadequately. When such situation repeats often, relations between the head and subordinates get a negative shade, mistrust and antagonism atmosphere and information streams is formed decrease - nobody would like to get "in the heat of the moment". And on the contrary, when heads affably concern the subordinates, do advance payments their initiative, in the last there is a motivation to frequent information contacts.

Semantic obstacles. Their presence is caused by that messages, as a rule, is formulated by the words which part can have different value (semantics - the science which studies ways of use of words and value which are transferred by them). Variability (polysemy) of words sometimes leads to their wrong understanding and it can bend the information as a whole. Frequent enough there are also cases of misunderstanding of especially professional expressions or foreign extraction words. Therefore the sender of the message should adapt it for audience level, skillfully gather additionally a word and a design of phrases. However more all misunderstanding arises, when the message is formulated by the sender insufficiently precisely. For example, messages "Write the letter when you will have a free minute" it is possible to treat so: "I Will write the letter at once after the termination of this work". And it is possible and so:" Business does not burn, I will write that week". So, at communications it is necessary to be convinced that you have understood.

Socio-cultural differences of the sender and the addressee of the message influence communication process when people from different social layers or the different nations and a religious accessory communicate. Here other value can have not only words (in case of imperfect transfer or slang application), but also gestures, tone of a voice, rituals, that is nonverbal symbols. For example, in Japan each business conversation is accompanied by tea ceremony (which lasts long enough - not less hour) and only after it is possible to speak about business. Americans, who have got used to appreciate every minute time, start affairs from the first minutes of conversation. Japanese can regard it as disrespect for them that accordingly will affect the question decision. And in general, among the people of the East pauses in conversation have great value is testifies to suspension of words.

Bad feedback as it was marked and earlier, can create essential obstacles in dialogue. Wrong understanding of the information can serve as the reason of different circumstances. Therefore necessarily it is necessary to achieve a feedback establishment. In particular, it can be carried out through direct questions concerning understanding of an essence of the matter, but at all not set thus: "you have understood me?" as any the person does not like to confess in the incompetence or a carelessness. It is necessary to put type leading questions: "I 3 that, in your opinion, it is necessary to begin, that business is tritely successful?" The answer of the interlocutor also will show its understanding of the received information. If subordinates get used to such style of communications of the head always to it will attentively listen.

Feedback can be established and non-verbal. A nod the chairman, an attentive quiet sight testifies about understanding. The intense face, easy irritation signals that the interlocutor not absolutely understands a problem or not concordant with it. Then it is necessary to explain once again an essence of the matter and to use a method of questions.

The important place in feedback debugging occupies abilities to listen. Abilities to listen are habits to accept message, accurately to allocate in it important, correctly to interpret the heard. In many people absent ability to listen, they are more concerned by that will tell most, instead of that speak to them. But without it is impossible to receive feedback and to lock a communicative circle, which in management very important. Therefore heads should bring up in themselves and abilities to listen.

Hearings cannot be passive, differently feedback does not occur. Active hearing provides contact by eyes, an active mimicry and gestures, rephrasing told, concentration on the main thing. It is necessary to behave frostily, to be tolerant to flaws of language and behavior of the interlocutor, to enter

discussion only after completely realize a position of other party.

4. The organizations e a single whole, giving the chance to co-ordinate their actions, to analyze successes and failures, to rectify the committed errors, to charge new problems, etc.; connect it to environment - allow to receive market information and behavior on it subjects of managing, to inform partners in business and consumers on the intentions and to influence their behavior. So, organizational communications should occur divergently - deep into the organizations and outside, in borders of one administrative level (horizontal) and between levels (vertical), to be carried out on a diagonal if at discussion of ways of elimination of a problem adjacent subsections join, and also to be free from any restrictions and to occur an informal rank (through distribution of hearings). Each of the specified kinds of communications pursues the problem and is carried out by certain rules or the procedures which observance provides their efficiency. Let's consider them more detailed.

External communications. Occur in two directions - deep into firms and out of its border. The purpose of the first - to receive whenever possible full and trustworthy information about Wednesday of managing by the analysis of the data published in mass media and official documents, through confidential sources, hearing and т.п. The Purpose of the second - to inform consumers, partners, to competitors about a state of affairs in firm and to generate in them positive perception of its activity by means public relations, purposeful advertising of the goods, publications of annual reports. In both cases different methods of communications - both written, and oral, depending on the circumstances, can be used. The information which arrives from external sources is, mostly, the written. It, as a rule, officially published materials concerning changes in the legislation, government decisions, the information of bodies of statistics, tax service.

Internal communications. To them carry communications which are carried out between members of the organization both formal, and informal channels.

Formal communications is an information interchange behind the channels provided by organizational structure of firm. They share on vertical, horizontal and diagonal.

Vertical communications can go formally designated scalar chain from the head to subordinated (descending communications) and from the subordinate to the head (ascending). Descending communications mostly occur in the form of orders, orders, instructions and explanations of its importance and communication with other kinds of works, for granting by subordinate of the information concerning results of activity of the organization are used for acquaintance of workers with the purposes, problems and a firm policy, for instructing concerning work. Ascending communications serve as feedback means between a firm management and its workers. They help managers to understand, how their orders, which consequences of their realization that it is necessary to make to improve firm work are carried out. More often they have the form of reports on results of current activity which are sent on the higher equal managements behind the established periodicity (in particular, the financial, accounting information). But sometimes the requirement for them arises, when there is a non-standard situation and it is necessary to inform a management on it to receive necessary instructions for its liquidation or to offer the variant of a solution of a problem. Uses of both types of vertical communications allows to react in due time to the higher management to change of an administrative situation and to involve in its decision of those workers which it directly concerns. Unfortunately, the Ukrainian experience of management considers on advantages which are given to firm by use of ascending communications a little, relying basically on communications from top to down.

Fault to it is propensity to authoritative management style which is a rudiment of an epoch of totalitarian command system. Excessive use only descending communications causes information distortions, its erroneous interpretation and, as consequence, increases in the expenses connected with correction of errors.

Horizontal communications take place when persons who are at one administrative level (work in one and consequently or adjacent subsections) take part in discussion of any question. The exchange of opinions of different experts which work over the same problem, allows learning comprehensively it, to make the well-founded decision and to co-ordinate the actions necessary for its realization. Such consultations are important for the organization as raise confidence of workers of correctness of decisions which are accepted by them. A version horizontal are diagonal communications, which are carried out between different administrative levels not in directions of direct submission and so that to co-ordinate actions of linear and functional or staff heads. In particular, the requirement for them arises when one of functional subsections is appointed responsible for realization of the certain project and takes up staff functions.

Questions and tasks for self-control

1. Give examples for each communication classification type.

Classified by	<i>Types of information</i>
Sources of origin	Outside – comes from different enterprises (incoming) and to them (outcoming) Inside — circulates between the departments of organization.
Level of treatment	Primary, secondary (derivative).

Stability	Stable (conditionally stable) – doesn't change during some time (standards, norms, estimations, plans etc.) Mutable – reflects quantitative and qualitative characteristics, results of economic activity during some time.
Character of registration (fixation)	Fixed (documented) – on paper and technical carriers. Non-fixed – carries orally.
Level of systematization	Systemized (bookkeeping and statistic reporting). Non-systemized (letters, references).
Direction of movement	Straight, reverse.
Data content	Scientific-technical, administrative, bookkeeping-statistic.

2. Speak about the requirements to the information to your mind.

For making information to do its function, it must conform to: accuracy, clear periodic of income, opportuneness (drive), fullness (adequacy), usefulness, and accessibility.

3. Give signs of effective information.
4. Give the model of phone communication for guarantee department manager with not satisfied customer.
5. Give the model of communication for director secretary with visitors.
6. Give an example of non-traditional channel of communication, choose the channel of communication in a case of:
 - Message about changing of the working graphic
 - Message for employee about firing
 - Message for manager about disability of coming because of illness.

Theme 9. General characteristic of process of administrative decisions acceptance

Plan

1. Decision-making place in managerial process.
2. Classification of administrative decisions.
3. Approaches to decision-making and factors which influence process of their acceptance.
4. Technology of acceptance of the administrative decision

Methodical directions: within the learning of new material you are proposed the ability to its consolidation and cultivation of practical skills. For this you are proposed to do exercises given in lecture.

1. At the heart of managerial process acceptance of administrative decisions lies. Planning the future activity, the head of firm makes decisions concerning its future purposes, ways of their realization, necessary resources. In the course of the activity organization decisions concerning organizational structure, the organization of production, distribution of works among executors and maintenance of their performance with necessary means, motivations of performance of works and control by results are made.

Thus, administrative process can be considered as a complex of the interconnected operations which are carried out in certain sequence and directed on decisions of concrete administrative problems (problems) and achievement of objects in view.

Allocate three basic types of administrative problems:

1. Problems of the conceptual plan (the strategic problems connected with long-term planning, forecasting).

2. Problems, which связаны with the technological party of functioning of manufacture (creation and introduction of new technics, technology, etc.).

3. Problems which arise owing to action of the human factor (personnel questions, a socially-psychological climate in collectives, etc.).

In the center of this activity there are three elements of managerial process: a problem, its decision and people who take part in process at all its stages. We will consider them more detailed.

The problem is a rupture between a desirable condition (first of all the purposes) object of management and its actual state. Solutions of a problem - means of overcoming of such rupture, a choice of one of many directions of actions that allow passing from an actual state to the wished.

The major question of administrative practice consists in how the organization can reveal the problems and as she can solve them. Each economic decision should be aimed at any problem, and correct its decisions are such decision which gives a maximum of benefits for the organization. So, problems arise, when in the organization there is not planned, unexpected situation. The situation is described by set of factors and conditions which have internal or external character.

To internal factors which depend on the organization, its purposes and strategy, technology and resources, manufacture and management structure and т.п concern. They form the organization as the system; therefore change of one of them will be caused by necessity of decision-making which would keep the organization as complete system. Deviations in the planned rates and amounts of works, absence of discipline or indistinct delegation of powers are internal factors which can cause problems, also. These problems are caused by lacks of the control system and their occurrence in the future is

necessary to reveal, solve and warn them in due time. External factors are components of environment in which the organization works and can be menacing for it or favorable. In particular, change of tastes and priorities of consumers can create vital issues with sale and the organization will solve them, not simply refusing release of usual production for itself, but also thinking of possibility of its updating or about transition to other markets and т.п. Very often new problems are covered in change of the current legislation, tax system and т.п.

In wide understanding of the decision is a creative process of a choice of one or several alternatives of plurality of possible variants of the actions directed on achievement of objects in view. Nevertheless the administrative decision has wider interpretation, than decisions in general. Administrative decisions are directed on the organization of collective work and are accepted by the person who has for this purpose necessary imperious powers.

The administrative decision is a process which is realized by the subject of management and defines the actions directed on the decision of a task in view in the available or designed situation.

Important element of managerial process are people who take in it participation and decisions make. Character of the basic decisions of the manager depends on its place in system of hierarchical relations of the organization, and also from functions which are fixed to it in this organization. At what, the above hierarchical level of the manager, the in большей to a measure at its activity there are strategic decisions.

People who make the decision are called as subjects of the decision. It can be both separate managers, and groups of workers who have corresponding powers for decision-making.

The administrative decision has complex character. In legal relations is an imperious certificate of the subject of management in which it expresses the will, realizes the imperious powers conferred to it and bears responsibility for its possible adverse consequences. On the other hand the administrative decision - the certificate social as is accepted by people and concerns people. The administrative decision - the psychological certificate as represents result of cerebation of the person and its strong-willed effort. Eventually, from the information point of view of the decision - result of processing of the information in which course the choice among possible variants of the best is carried out.

2. The requirement for acceptance of the administrative decision arises in connection with different circumstances. In the organization a considerable quantity the diverse of decisions which differ between itself on sense, terms of actions and to working out, scales of actions, level of acceptance, information security and т.п is accepted. Therefore in the course of a substantiation and acceptance of administrative decisions it is necessary to consider their versions.

Classification of decisions is a process which gives the chance to order them and to find out the general laws and the prominent features inherent in their separate versions. We will consider the basic criteria of classification of problems at the decision of problems which arise in the organization: importance of a problem, time aspect, an estimation of efficiency of decision-making, a decision-making condition, character of decision-making, character of model of a problem situation, formalization level, frequency rate of decision-making, a kind of the made decision.

For classification of problems and the decisions connected with them basic value has their reference to standard problems to which the programmed decisions, and to non-standard problems answer.

Such decisions which are already known by the past experience (or the accurate algorithm of their reception is known) concern the programmed decisions and at once are applied or pay off on the set algorithm at occurrence of the standard and well-structured situations. Unlike it working out of not programmed decisions demands the new information, search of its non-standard combinations, working out and an estimation before unknown alternatives, etc.

3. In the course of acceptance of any decision three moments, as a rule, can be used: intuition, judgment and rationality. So, decisions can be accepted on the basis of such approaches: Intuitive. Making of the decision on the basis of intuition, the person is guided by own sensations. The intuition becomes aggravated together with experience finding. However using only intuition, the manager becomes the hostage of accident and from the point of view of statistics its chances of a correct choice are not so high.

On the basis of the subjective judgments caused by knowledge and saved up experience. Judgments are used to make a correct choice - leaning against common sense, the person selects alternative which has brought success in the past. The decisions based on judgment, in many respects are similar intuitive, is possible because at first sight in them there is no logic. But nevertheless in their basis knowledge and intelligent last experience lies. This way is extended enough, as bribes the cheapness and efficiency. But it has essential lacks - judgments cannot be carried to a new situation as experience of its decision is not present. Besides, the head will mainly operate in such directions which it well-known in summary risks to lose chance in a new field of activity, menacingly or unconsciously refusing occurrence in it. This approach is used in the course of an operational administration by managers of the lowest and average links more often. On the basis of a rational way of a solution of a problem in which basis lie the

deep analysis of the reasons which have caused a problem and logic reasons concerning possible ways of its decision. This way is applied in the course of a substantiation of strategic or tactical decisions, at the decision of difficult and non-standard problems more often, demands creative thinking and application of various means of activation of creative search about what there will be a speech further.

Decisions can be accepted as one person (individual decisions), and a group of persons (group methods of decision-making). Each of these methods has the lacks and the advantages. In particular, the individual decision the creativity highest level is inherent; they are accepted faster as do not demand coordination. But they appear erroneous, more risky is more often that is connected with complexity and unpredictability of environment in which the modern organizations work. Character of individual decisions in many respects bears reflex ion of the person of the manager which accepts them, considering that decisions can be weighed, impulsive, inert (careful), risky. The weighed decisions are accepted by people who attentively and critically concern problem studying, accurately it is formulated; carefully check the put forward hypotheses. Authors of impulsive decisions easily generate various ideas, but have no possibility them properly to check up, specify, estimate. Therefore decisions appear insufficiently proved and effective. Inert decisions are accepted by managers who try to keep an existing condition of things. Before to dare at radical changes, they long specify details, check them, try to get top management support. Such decisions usually are not original. Risky decisions characteristic for the higher management, their authors with readiness incur responsibility and resolutely get down to business. However excessive propensity to risk can become the crisis reason in the organization. Thus, decision-making process enough essentially is influenced by personal qualities

of the manager, its knowledge and ability, professionalism and life experience, character, temperament, sympathies and antipathies, tastes, and also their emotional condition, state of health, mood. The head who makes decisions, can be the convinced, basic fighter assured of importance and public utility of business charged to it, or can have lines of the careerist which shows activity for the sake of personal benefit; to have qualities of the innovator, or, on the contrary, the conservative it is heavy to them to refuse usual methods even if they have become outdated; to have strong will, resoluteness and persistence in achievement of objects in view or to be the person, not capable to go "against the current"; to operate impulsively or with calculation, after careful consideration; it is easy or heavy to enter into new conditions etc.

Such personal lines of the manager strongly influence an estimation of an initial situation for decision-making, in particular in the conditions of deficiency of time. The wrong situation assessment can be a consequence of strong excitation (anger, fear) when the person is not capable to consider all circumstances and is deformed imagines conditions. As a result of the decision are accepted on a basis not objective, but subjective representation about the validity.

Allocate such lacks of decisions: bias, substitution valid desirable, reinsurance, incompleteness, an egocentrism.

Bias of the decision results from inertness of thinking when the situation not existing at present is estimated, and similar that took place earlier. Bias can be and a consequence of sympathy or an antipathy of the head.

Substitution valid the desirable occurs because of excessive optimism, underestimation of available obstacles, and also because of aspiration of the head to support the authority, to prove to be capable to overcome any obstacles. It is a version of self-deception which conducts finally to failures in activity and to losses.

Reinsurance happens a consequence of those persons who make the decision, rather are afraid of responsibility for their possible adverse consequences. Objective preconditions for acceptance of such decisions are incompleteness and low reliability of the used information.

The egocentrism is shown in substitution of overall aims of the enterprise by the purposes of personal character. Heads aggressive in the aspirations are inclined to an egocentrism. They try to achieve desirable for themselves or a narrow group of persons of results irrespective of the fact which the loss can put it to other employees and the enterprise as a whole.

Incompleteness of decisions connected with contradictions between the purposes and means of their achievement. The limited means which give the chance to solve a problem only partially (half) are allocated for the important purposes for the enterprise. Such decisions cannot be considered as insignificant lacks. They create illusion of that actual problems dare; generate unjustified optimism and self-calmness.

Considering the specified features and lacks of individual methods of decision-making, for the decision in particular important questions for firm resort to the group. In groups experts in those spheres which problems concern are involved. Group work provides versatile research of a problem, raises motivation and responsibility of its each member, reduces percent of errors, and provides multi-variant approach of workings out. Results of group work are better perceived by members of the organization compared with individual decisions as are considered as display of thought of collective. Group decisions have also the lacks - the big expenses of time owing to necessity of the coordination of the different points of view on a problem and absence of accurate responsibility for final decision acceptance.

Administrative decisions should correspond to following criteria; Ability to decision realization consists that for its realization should be created all necessary preconditions. Commissions of problems subordinate without possibilities of their performance are enough widespread error of managers.

Timeliness of the decision consists in a correct choice of the moment of its acceptance and realization. This moment is defined taking into account the generated situation and possibility of its change. Are equally harmful as premature decisions for which realization conditions have not ripened yet, and late, necessity in which has already disappeared. Nevertheless in practical activities it is frequent enough fair there is also such principle: it is better to make the untimely decision, than not to accept any.

The decision optimality is provided with a choice in each concrete situation of best of all variants by the accepted criterion taking into account available restrictions on time, to resources, market requirements, etc. the Basic conditions of achievement of an optimality of the decision are competence of persons which prepare and accept it, and also the system approach and concreteness.

Legality of the decision is caused by its conformity to the current legislation and statutory acts. The decisions accepted with infringement of the existing legislation and established norms, are illegal and are subject to cancellation. Therefore administrative decisions should be proved not only from the point of view of their economic feasibility, but also from the point of view of their conformity to operating rules of law.

Legitimacy of the decision is characterized by presence at the head of corresponding legal powers which allow making the corresponding decision.

Justice - a category of moral-legal and sociopolitical consciousness. It expresses conformity requirements between

work and compensation, the rights and duties, offence and punishment, merits and encouragement, etc. Discrepancies in these relations are perceived as injustice. Unfair decisions because feeling of an insult in workers concerning whom they are applied, reduce their labor and public activity, will cause conflicts, negatively influence a moral-psychological climate in collective, undermine authority of heads which such decisions make.

Consistency and heredity of decisions consists that they should not contain logic contradictions. Decisions also should not contradict other decisions accepted earlier and accepted simultaneously with it. Interdependent questions should be coordinated. For example, quite often to have to face that the decisions directed on increase of labor productivity, contradict decisions on production improvement of quality. Presence of such contradictions will disorient executors, undermines authority of the head.

Simplicity, clearness and *сжатость* statements allow to give to the decision official character, to exclude possibility of wrong interpretation, to reduce time for maintenance finding-out. Special simplicity, clearness and *сжатости* are demanded by the oral decisions transferred by a chain of subordination through some administrative levels.

4. Each administrative decision aimed at achievement of concrete result, therefore the purpose of administrative activity is findings of such forms, methods, means and tools of decision-making which could assist achievement of optimum result in concrete conditions and circumstances.

Technology of working out, acceptance and realization of decisions and procedures, realization of logic, analytical, information retrieval, computing and other operations should provide their accurate sequence. Developing administrative procedures, it is necessary to establish a procedure of the separate operations connected with collecting, movement,

preservation, processing, the information analysis, maintenance of structural subsections with it and separate workplaces, and also to define other actions caused by requirement of the decision of economic problems.

The rational technology of acceptance and realization of the administrative decision can include following stages: decision preparation; decision-making; decision realization.

The preparation stage - is carried out the economic analysis of a situation on micro- and macro levels which are included by search, gathering, processing of the information, revealing and a formulation of problems which demand the decision.

Acceptance stage - working out and an estimation of alternative decisions are carried out; criteria of a choice of the optimum decision are defined; gets out and accepted is better the decision.

Realization stage - measures on a concrete definition of the decision and its finishing to executors are developed; control over a course of its performance is carried out; necessary corrective amendments are introduced; the estimation of the result received owing to realization of the decision is given.

In the elementary case after revealing of a problem and an establishment of factors which have led to its occurrence within the limits of existing resource or институционных restrictions decisions of which gets out are developed is better - what the solution of a problem answers the caused criteria. The quantity of the variants offered for a solution of a problem depends on many factors, in particular, available resources, time, availability necessary for a substantiation of the decision of the information and т.п. In many cases under conditions of a lack of time is accepted is not better the decision, and that the first slept in opinion if only it allows to eliminate a problem. After that search information analysis stops.

The estimation of those actions which are carried out at its different stages [89, c.88] is a necessary element of process of acceptance of administrative decisions. So, at a stage of diagnostics of a problem is an estimation of borders, scales and level of distribution of a problem, at a substantiation stage - an estimation of different variants which are offered for a solution of a problem, at a decision-making stage - an estimation of expected consequences from its realization. For this purpose use criteria.

At the first stage as criteria of recognition of a problem the definite purpose more often serves, behind a deviation from which show a problem. So, heads of all levels should have accurately formulated purposes and problems of the activity. In the absence of their occurrence of a problem feel purely intuitively or behind receipt of signals which essentially complicates decision-making process.

At a development cycle of variants of a solution of a problem apply different criteria which that are the most useful to the organization allow choosing from many offers. Quality of the administrative decision and, finally, adaptability depends on validity of these criteria and efficiency of the organization. The most developed system of criteria for the structured problems for which decision economic-mathematical methods are used. As criteria the minimum of expenses or a profitableness maximum, a time of recovery of outlay of investments or the highest performance level of work here can serve. Be very frequent criterion time factor can, on an extent that decisions will be embodied at life. In the conditions of high inflation or political instability advantage will be given to decisions which will bring positive result throughout short time. It is necessary to remember that criteria which are used for the decision of problems at the lowest level should be coordinated with the criteria formulated on higher equal, and assist achievement of the purposes of this level.

Whether for not structured poorly structured problems it is heavy to define accurate criteria of selection of decisions, therefore the system of the weighed criteria which under certain conditions yields quite good result here can be used.

Near to acceptance of administrative decisions, not less important link of technology of management is their realization. While the decision is not embodied at life is not decisions, and only good resolves. The big organizing work is necessary to reach its realizations. Often the added complication is that people the activity can introduce essential corrective amendments in an initial variant of the decision (it to improve or, on the contrary, to worsen), and in overwhelming majority of cases it will cause additional "noise" in system which need to be overcome. Therefore in a technological chain of the administrative operations directed on the decision of problems, difficult and responsible there is a stage of performance of the accepted decisions.

Let's stop more detailed on some aspects of performance of the decision. Distributing problems among executors, it is expedient to start with such reasons: - if performance of the commission demands different knowledge and qualification, to the executor whenever possible give such problem that it has induced it to increase of the reached skill level and development of abilities;

- The work volume can answer possibilities of the worker as both excessive, and insufficient loading negatively influences quality of performance;

- Accurate definition of duties of the worker will give the chance to eliminate possibility of refusal of performance of the certain works connected with realization of the decision;

The developed indicators and standards on performance of works should display precisely degree of achievement put whole, and also quality of carried out operations

- It is expedient to subordinates to give all necessary for performance of problems the information and to delegate it sufficient powers for a correcting of process of realization of decisions.

The successful management of realization of decisions demands not only rational distribution of works between subordinates, but also abilities to stimulate them on performance of problems, to induce to show initiative. For this purpose it is recommended to use all forms of external influence on the worker that it carried out desirable actions faster behind own motives, than under the influence of formal instructions. Pertinently here to remember R.Lajkerta's thought that in the course of the researches came to a conclusion that motivation in sphere of performance of concrete administrative decisions as stronger, than more direct participants of performance of problems take part in decision-making [81, c.128].

Realization of administrative decisions will occur according to plan, according to target dates if the manager pays sufficient attention of control over a course of their performance and to timely entering of necessary corrective amendments into actions of subordinates in case of change of conditions of realization of decisions. Control is provided with the organization of feedback, which in particular important for realization of the decision which is carried out in some stages. Feedback gives the chance to receive in due time the information for a correcting of decisions, to make these or those changes to a course of their performance if that is demanded by circumstance.

The resulted scheme of acceptance and realization of administrative decisions displays logic and technology of administrative activity. In practice this process is much more difficult and supposes parallelism of performance of certain

procedures which can reduce decision-making time considerably.

Questions and tasks for self-control

1. Analyze the situation, which is on the enterprise, make conclusions about future activity and take a manager's decision about the activity upgrading.

Situation: Open-end Company Bookstore makes a socio-political newspaper, protects intellectual property (help for young and unknown writers). Enterprise exists just 1,5 years on the market but still doesn't have its own segment of the market. Results of activity and information about actives and doubts of the enterprise are below:

Statutory capital – 18,6 thousand uah

Additional capital – 1,9 thousand uah

Reserved capital – 6,6 thousand uah

Unpaid doubt – thousand uah

Debitor doubt for goods, work and services:

 Primary price – 35,9 thousand uah

 Reserve of questionable doubts – 19,2 thousand uah

Creditor doubt for goods, work and services – 37,5 thousand uah

Money actives: In national currency – 1,4 thousand uah.

Long-term bank credits – 1,7 thousand uah

Current doubts by calculation of:

 Budget – 0,6 thousand uah.

 Salary – 0,4 thousand uah

 Participants – 1,7 thousand uah

Non-material actives:

 Primary price – 8,9 thousand uah

 Wear – 3 thousand uah

Reserves:

 Made production – 19,9

thousand uah

General means:

 Primary price – 19,2 thousand uah

 Wear – 3,1 thousand uah

2. Give the enumeration of factors, which must guarantee the realization of your decision.
3. To your mind workers of which category take such decisions. Which education should have such manager?
4. Give the prognosis of Open-end Company Bookstore activity development if your decision would be realized.
5. Make expert evaluation of your neighbor's made decision.
6. Give examples of most spread mistakes of manager's decisions.
7. Open-end Company Virbium (trade) needs additional trade area. Enterprise doesn't have money on the account at the moment, but it will be in three months. Area costs 50000 uah, and its leasing 380 uah per month. Bank proposes crediting on such conditions: 14 % interest rate, payments: 1 month – 16000; 2 month – 16600; 3 month – 17400 uah. Interest payment each month. Make a conclusion which decision will be optimal (with calculations).

Theme 10. A management and lead

Plan

1. Concept and management general characteristic
2. The characteristic and classification of styles of a management
3. The power and management
4. Forms of the power of the chief
5. Lead and management

***Methodical directions:* within the learning of new material you are proposed the ability to its consolidation and cultivation of practical skills. For this you are proposed to do exercises given in lecture.**

1. Object of supervising influence always is the person or group of people. This the management differs from the management people and material or financial elements of production can be which objects.

Management - the right личности | to give official commissions subordinate and to demand their fulfilment.

The right to a management is supplied with the authorities of the chief predetermined by its competence within the formal organisation. Possessing | the real competence, the chief influences labour collective, and through it - on features and results of functioning of object of management.

The structure and combination of functions depend on in what role - the manager, the organizer, the expert, the public figure, the tutor, - the chief acts.

In a role of the manager the chief uses the authorities for maintenance of actions of system according to normative statements, takes measures not to admit многоначалие and diffusion распорядительства. Together with employees

develops and realises personnel selection - completes states, carries out selection, study, arrangement and moving of shots, for the purpose of removal of irresponsible behaviour of executors, possible conflicts, focusing people on the confident and interested fulfilment of official duties.

In a role of the organizer the chief creates the conditions necessary for fruitful general work, the purposeful and coordinated actions of the subordinates taken in managerial processes and production. It provides accurate comprehension of the purposes of the activity, abilities to allocate the most essential tasks to define preconditions necessary for their decision, methods and resources.

The chief should be able to find balance between the competitive purposes, to establish in each specific case priorities for optimum decisions. For it the activity combination for the blessing of all organisation with activity in interests of each separated part is too important. Realising functions of the expert - well prepared person who possesses knowledge and experience in concrete sphere, the chief should put competently the task, competently them analyzes and effectively supervise their realisation, carry out the qualified instructing.

Sometimes the chief should be the tutor, *the* intermediary, neutralizer of conflicts, especially interpersonal. Its task is also the help subordinate in their adaptation to requests and organisation standards.

Successful management, as a rule, carry out on model: the accurate formulation of the purposes, the tax and information processing, detailed planning, the effective system of the organisation directed on achievement of the purposes, a feedback, diverse forms of the control.

Requests to the professional competence of the manager conditionally are formed by two groups.

1. Knowledge and ability (art) to perform special work in management sphere. To them the understanding of the nature of administrative work and management processes belong; knowledge of official and functional responsibilities of the manager, methods of achievement of the purposes and increase of efficiency of activity of the organisation; ability to use modern information technology and the communication media necessary in managerial process.

The manager should study, apply constantly advanced achievements of a science concerning processes, methods, forms of administrative activity.

2. Ability to work with people and to operate by itself. This group of requests adjustments of external relations form possession of a management skill of human resources; ability to a self-estimation, ability to do correct conclusions and continuously to increase qualification.

The important factor of increase of productivity of management is делегирование and a substantiation of a range of a management which depends on the status of the chief.

The most sensitive role in administrative activity is played by line managers of a highest level who head the organisation as a whole.

Administrative possibilities of the line manager are expanded with support personnel - the subordinates which task is the help to the chief (is qualified the secretary, the assistant, the reviewer).

The contents of activity of functional managers depends on functional significance of corresponding division in a control system of the organisation.

Efficiency of mutual relations between linear and functional managers is influenced by communications level, and also organisation structure.

2. The majority of people "management", "power", "lead" identify concept, and consider that, consisting in a supervising post, the person automatically supervises over subordinates, has the power over them and is the leader of collective. However in practice the parity of these components of administrative influence is diverse, as is formed as a result of action of many factors to which belong a pattern of organisation, its scales, an activity direction, a place of the manager, in hierarchies of management, its personal qualities, etc.

Each chief is the individuality allocated with business, moral, social and psychological qualities. However all variety of its specific features can be erected to certain types, using such classification sign, as relations of the chief with subordinates. Avtokratichnyj type of the chief. Chiefs of it to type inclined to one-man management in the hypertrophied forms, redundant centralisation of the power, the personal decision, not only significant, but also rather trifling questions, conscious restriction of contacts to subordinates. In their activity dominate dogmatism, aspiration to subordinate collective to the will. They do not suffer objections, reluctantly listen to thought of others, often interfere with work of subordinates, captiously supervise their actions, demand punctual fulfilment of the instructions.

Many working, force | to work and others, including during after-hour time. Capable of well-founded risk, the operative decision of complicated questions. Allow «to mount upon to nobody to itself a neck», however their requests to subordinates quite often fall outside the limits office relations and lead to labour legislation infringement. In dialogue with people happen violent, and sometimes rough. However can be and correct, listen and in a pointed manner recollect ideas of subordinates, but neglect their thought at acceptance of final decisions.

Автократия is not an one-man management synonym.

The avtokraticznyj chief not necessarily uses strong-willed compulsion as a reception of influence on subordinates, but is inclined to it. At growth of a role of the subjective factor, intelligence of workers, authoritative style becomes unacceptable. Democratic type of the chief. It is characterised by aspirations to granting by subordinate of independence according to their qualification and prospective functions. Therefore it involves subordinates in definition of the purposes, estimations of work, preparation and decision-making, creates preconditions necessary for work, fairly evaluates results, yours faithfully concerns people and worries about them.

The chief of democratic type personally prosecutes only the most difficult and important subjects, granting the right subordinated to decide all others. Stimulating the initiative from below and underlining the respect for subordinates, it influences them, without resorting to orders, and using offers, advices and even requests, being considered thus with reaction of employees.

Well поинформированный about affairs in the organisation operated it, mood of subordinates, it is always tactful with them, attentive to their interests and inquiries, influences them belief and psychological receptions. Carrying out the control, focuses attention not only on observance of formal instructions by it, but also on real results.

Using delegation of authorities as an effective remedy of stimulation of the business, creative initiative of subordinates, it reaches comprehension of the importance by them and responsibility before collective. The discipline is under such circumstances transformed to self-discipline. The democratic approach does not counteract one-man management and does not weaken the power of the chief. On the contrary, it the power and authority is real grow, as management of the organisation is carried out without a rough impact and

irrational attributes of administrative influence, and the respect, for them leans against qualification, abilities of workers.

Liberal type of the chief. The most remarkable characteristics of the chief-liberal is absence of scope in activity, lack of initiative, constant expectation of instructions from above, unwillingness to accept responsibility of for the decision and their consequences. It interferes with affairs of subordinates a little and does not find out sufficient activity, basically acts as the intermediary in mutual relations with other collectives. Actions of such chief неожиданы, it easily comes under to influence of others.

Trying not to spoil relations with subordinates, often avoids resolute actions, neglects principles if their observance threatens its popularity in the opinion of a management or subordinates.

In attempt to acquire and strengthen authority the liberal is capable to grant subordinates different privileges, to pay not deserved awards, to allow unjustified office requirements of business trip. Instructions, requests of bosses, perceives as obligatory for fulfilment, even if they противоречат to acting normative statements or behaviour rules. The liberal is incapable to defend the item in difficult and extreme situations. Formation of the chief-liberal is caused first of all by temperament and character type. Generally such chiefs are irresolute and good-natured, avoid conflicts. Each typology, as well as typology of chiefs, is very conditional. In real activity of the concrete chief it is possible to track lines of all three psychological types with a strongly pronounced attraction to one of them.

3. Each chief can realise the functions thanks to influence on subordinates. Influence is a behaviour of the individual which makes modifications to behaviour, relations, sensations of other individual. Concrete means of influence are extremely diverse: from the silent request to violent action.

Influence also carry out by means of ideas. To supervise over people, the manager should influence them. This influence should supply not only acceptance by the individual or group of people of certain ideas, but also actions which are expressed in the work directed on achievement of the purposes of the organisation. It is possible only at availability at the chief of the power.

The power of the chief, at first sight, provided by its authorities. However in system of formal authorities of the chief the potential power over subordinates is mortgaged, and the real power will depend on how its relations with environment - direct chiefs are formed, subordinates and colleagues.

The power in management - is real possibility to influence behaviour of others, to change it in a certain direction.

The absolute power does not exist, as nobody can equally influence all people in any situations. In the organisation the power is determined by hierarchy of mutual relations, that is a place of the chief at administrative steps. The boss can carry out stronger imperious influence concerning collective as a whole.

The chief should realise that as subordinates also possess the power, its unilateral use can entail demonstration by subordinates of own power. Therefore the clever chief supports balance of the power, sufficient for achievement of the purposes, but such which does not cause in subordinates of counteraction

4. To supervise, it is necessary to influence, and, to influence - it is necessary to have possibility to supervise circumstance, important for the executor who supplies its dependence on the chief. These circumstances are requirements. Hence, a power basis is influence on essential

requirements of the executor. The power of the chief over subordinates is realised in such forms:

1. The power which is based on compulsion. Extended in the organisations where chiefs do not recognise other power over subordinates though, probably, intuitively feel limitation of means of compulsion. The essence of this power consists available at the chief of means of punishment of the subordinate which can do much harm to satisfaction of its essential requirements or entail certain troubles.

2. The power based on compensation. Provides compensation use as main lever of influence on the subordinate which means satisfaction of its essential requirements.

3. The expert power. It is based on reliance of the subordinate available at the chief of the special knowledge, capable to satisfy essential requirements of the subordinate.

4. The reference power (the example power). Its essence consists in especial appeal to the subordinated personal qualities of the chief. Aspiring to acquire them, they willingly execute its commission and instructions.

5. Legitimate authority. At the heart of it is belief of the chief subordinated in the right to give instructions, obligatory for fulfilment. Such power still name traditional as it is predetermined by hierarchical construction of structure of management by the organisation. Each chief possesses the legitimate authority granted by authorities concerning management by people, provided by hierarchy of management.

6. Charisma (greek |. charisma | - favour, good fortune, the Charisma). It is especial type of the power and the lead, based not on the logician or force of traditions, and on exclusive qualities (abilities) of the person, which people perceive as especial gift.

5. In a life of the leader of an open-cast mine and private life closely intertwine. The present leaders never happen ordinary people, their ambition, talent, abilities, perception new serve

them, instead of dominate over them. Using them, leaders realise the true calling.

The leader - the person who has unconditional authority and respect in connection with the personal outstanding human, intellectual or professional qualities.

The help to workers in realisation of their plans is one of features of the present leader. This process is not absolutely altruistic, as leaders are always importunate and obstinate in achievement of the best for themselves, for the organisation and workers. The administrative team with inspiration is generated by them works, instead of the duty leaves.

Difference between functions of the leader of a command and the chief predetermined by differences of their roles. The chief exercises administration on the basis of individual decision-making and the control over work process. The leader does not usurp the right to decision-making, and, on the contrary, delegates its to each of members of team. Its basic task - the help to workers in the decision of problems, in the formulation of the purposes and tasks of collective activity, accordingly and function of the control over work process (the power over subordinates is based on administrative compulsion) is replaced with function of coordination different, sometimes inconsistent, interests of workers. Thanks to it the role of knowledge, intellectual capacity of the leader grows.

Lead arises there where there is a requirement for initiative actions. The person who voluntary takes the big responsibility, than is provided by a post, becomes the informal leader. The leader also is the chief, but character of its actions is especial. It does not operate, and conducts behind itself people who are not its subordinates, and followers.

Formally post of the chief supplies preconditions and for lead in collective, but automatically it does not occur. It is possible to be the first person in the organisation, and not to be the leader as it voluntary recognise as the only thing who is

capable to supply satisfaction of requirements of people, to find a way out of, apparently, desperate situations. In view of sphere of realisation of this phenomenon, separate tool (in business relations) and expressional (in interpersonal relations) types of leaders.

The expressional leader is the dear person who smoothes conflicts more often, will neutralise pressure, increasing efficiency of work. Such leader can become and the initiator асоциального behaviour.

Different people happen leaders, but they are always inclined to cooperation and mutual support. The leader can play roles of the co-ordinator, the controller, the planner, the expert, the arbitrator, the carrier of group responsibility or fault in group. Generally it is a source of values and norms which form group outlook.

As the leader displays interests of collective, it is the original controller who watches that concrete actions of each did not contradict the general interests, did not blow up unity of group. In this connection the leader can enter the conflict to administration, authorising even in sphere of industrial activity of the decision which are equitable to interests of its collective. To overcome such conflict it is almost impossible, as pressure upon the leader rallies collective even more and strengthens administration opposition. Therefore in a conflict situation with the leader it is better to make a compromise, having granted it the deserved official post. Under these conditions the leader who has received powers of office, will be better to operate collective, even to a certain extent neglecting for the sake of the organisation its interests, on what people who trust it, can agree. However its official decisions are necessary for correcting with allowance for interests of people that will give the chance to avoid abusing their trust.

Questions and tasks for self-control

1. Make a questionnaire – questionnaire for analyzing of the microclimate inside the organization.
2. According to the organizational roles theory, divide all students of your group into subgroups and assume them collective roles.
3. Which culture values have been formulated in your group?
4. Analyze management styles. Which fits you?

Table „Comparative analysis of management styles”.

Comparison parameters	Management styles		
	Democratic	Autocratic	Non-interference style (liberal)
Plenary powers			
Making decisions			
Communications			
Strong sides			
Weak sides			

5. Which symbols of organizational culture do you know?

Theme 11. Indicators of economic, organizational and social management efficiency

Plan

1. Legal and social responsibility. Ethic behavior.
2. Essence of productivity and efficiency of management.
3. Indicators of economic, organizational and social management efficiency.
4. Organizational changes and their managing.

Methodical directions: within the learning of new material you are proposed the ability to its consolidation and cultivation of practical skills. For this you are proposed to do exercises given in lecture.

1. Organization goal achievement connects not only with economic result. Ethics of business collaboration which has great value also observance of rules and rates of the partnership, competitive struggle, anxiety on business reputation of firm and the people involved into it. Not less importance has it for businessmen, managers, the civil responsibility, and social ethics. After all each organization uses in the activity material, financial and manpower of the state and therefore it should realize the duties and civil responsibility, ruling a part of the incomes for its blessing.

Legal responsibility - observance of concrete state acts, instructions, positions, which determine limits, rates, principles of functioning of the organizations.

Social responsibility – is a voluntary reaction of the organizations to social problems of a society.

Advantages of social responsibility are in provision of stable functioning of the organization, and also in its capability to influence on the state, dynamics of development of a society. Social responsibility has such advantages: provides long-term

prospects of development of a society; creates influence possibilities on changes in a society; helps to solve social problems, including workers of the organization; forms the rates of morals in the organization; provides an establishment of good relations in the organization.

At the same time social responsibility connects with certain problems: growth of expenses on social problems; infringement of a principle of profit maximization. Managers should reach such level of social responsibility, which would provide the realization of advantages and elimination of drawbacks.

Social responsibility is a derivative of values, which are consequences of ethical standards of owners, managers, workers of the organization.

Legal responsibility together with social responsibility is a source of ethical behavior. Realization of functions, quality of methods of management and, accordingly, productivity depends on it and a correctness of management decisions.

We will be specified with concept - ethics: ethics - norms of behavior, set of the standard legal and moral rules, requirements, which the person put before itself or which the environment demands from it.

According to ethical behavior set of acts, actions of people, which satisfy to rates of morals, cautious, an order that was formed in a society. In the course of management activity there are cases of a deviation from public rates. It is regarded as unethical behavior. It can be caused by different reasons. For example: competitive struggle; a pursuit of a prosperity; inept stimulation of heads for ethical behavior; underestimation of ethical standards in a society; attempt to achieve the object and implement organization mission of any price; unethical behavior of partners; disputed, stressful situations in the organization; unsuccessful matching and inept application of

leadership styles; too difficult system of development and decision making in the organization.

In the majority of the organizations pay special attention to ethical standards as image and business reputation of the companies depends on it in considerable degree.

Modern management offers such events for provision of ethical behavior: including of ethical standards, which display system of general values, public desires, rules of behavior of workers of the organization; creation of committees on ethics; application of mechanisms of stimulation, which would counteract unethical behavior and acts; realization of social audits for finding-out of influence of social factors on the organization; the organization of training courses of ethical behavior of heads and all personnel; constant informing of workers on cases of highly ethical behavior through different information channels; carrying out of meetings, conferences, symposiums.

Ethical or immoral practice of business dealing is value system display, which was formed in a society, in certain social group or the organization.

The task for material development: characterize ethical behavior of the manager.

2. For efficiency estimation it is production-economic activities the organizations uses system of general and partial performance indicators: profitability, labor productivity, capital productivity, capital-output ratio, term of recoupment of capital investments, growth rates of production etc.

The performance evaluation of management activity is much more difficult, as determination of useful results of management and units of their measurement is problematic. Forming and realization of useful effect of management activity continues sometimes for some years.

Besides, efficiency of development of the concrete organization influences not only quality of functioning of its

management system, but also environment, macroeconomic system.

Efficiency (an armor. effectivus | - accomplishment, action) management of the organizations - general result, a consequence of the actions implemented in managerial process by the organization.

Key concepts at estimation of efficiency of management activity is "effect", "result", «criterion of efficiency», «(productivity) performance indicators». Concept "result" and "effect" are identical. It is more reasonable to use to concepts "effect", as it connects with efficiency measurement.

Relatively to the effect of management in the management theories were formed three points of view. The first consists that management cumulative effect is expressed by organization activity indicators as a whole.

Followers of the second point of view try to design system of performance indicators of management, having allocated from cumulative effect that is reached thanks to functioning of system of management.

The third position synthesizes both sights, its authors consider that management process can be broken into separate stages and operations, allocating thus interconnected with intermediate (local) and definitive results of management in whole and its separate divisions. Intermediate results of activity of the head or controls are the generalization embodied in decisions and plans new ideas, concepts. Definitive (generalizing) results of management coincide with definitive results of managed object that is the enterprise, industry, the region, all economy.

Under market conditions the basic result (effect) production-economic and management activity is the profit. Task of management optimization of components of profit (cost value decrease, the price control is. System of discounts,

the taxation etc.). Concept specification «effect of management» gives the chance to specify the category maintenance «criterion of efficiency of management activity». Criterion of efficiency of management (management system) - degree of conformity of actual parameters of a management system of set of the standardized requirements to it.

In these understanding criteria of system effectiveness of management is purposefulness, connectivity, integrity, an openness, dynamism, aspiration to development.

Efficiency (productivity) of system of management estimate on certain indicators. The generalized performance indicator is the effect relation to expenses, which provide its achievement:

$$K_e = \frac{E}{B} \quad , \quad (11/1)$$

Where K - effectiveness ratio; E - effect; B - the expenses connected with achievement of effect.

Consequently during designing of a performance indicator result (effect) and costs should have quantitative measurement.

3. There are two approaches to a choice of performance indicators of management:

To the quantitative possesses labor and financial indicators, and also economy of time of workers of management. As quality indicators of efficiency of management consider increase of scientific and technical level of processes of management, qualification of workers of management, level of validity of management decisions, cultures of management; reliability (non-failure operation) of system of management; reliability and completeness of the information, which gathers, processed and saves in management system; timeliness of accomplishment of all functions, operations and procedures; improvement of working

conditions of managerial personnel. Such bulky system of indicators constitutes faster theoretical, than practical interest, and a design of some of them do not coincide with general understanding of concept "performance indicator".

Evaluating of efficiency of management is necessary to use indicators of economic efficiency of the organization as a whole and indicators which characterize process performance of management.

Indicators of cost efficiency of the organization determine as a ratio between organization activity economic benefit as a whole and costs of resources for its achievement. Proceeding from it, the return index (the received profit) on laid-down capital or profitability - the relation of profit to the cost value is the basic such indicator.

Well, general efficiency of management can be specified and estimate the basis of system of indicators of economic efficiency of the organization as a whole.

Performance indicators of processes of management - display complexity internal and external relations and communications which exist in managing system, communications between it and managed system and external environment. Such system of indicators should give an objective performance evaluation of processes of management in whole and efficiency of functioning of components of system of management.

Increases of productivity of organization activity and management efficiency are closely interconnected. Qualitatively developing, they add also provide each other. Efficiency of management activity should be considered, measured and estimated in direct communication with directly received in the course of production of the goods (services) by effects.

Conclusions:

1. Provision of effective organization activity demands complex using of everything, first of all labor, resources of the organization, creation of a corresponding operating system and construction of an effective management system by its functioning, as preconditions of growth of productivity of the organization.

2. Organization workforce management is multifactor process, which envelope the determination of requirement of the organization in human capital resources, their planning, events, for workforce recruiting, selection and arrangement of workers, wages system and stimulation forming, vocational guidance, adaptation and education of the personnel, an estimation of labor activity of workers.

3. Improvement and dynamic economy development is the obligatory precondition for development of a civil society, in which people see prospect for realization of own initiative and an entrepreneurial activity, create and increase national wealth, satisfying own requirements, caring of socially not protected fellow citizens and the future generations, forming the effective mechanism of economic relations in a society. The decision of these problems probably for observance of the quality standards of labor life. In Ukraine at the present stage quality of labor life of citizens much more, than in the country-participant the West is provided with the state. At the same time growth of a role appreciable in this process and value of the enterprise organizations. However influence of labor unions on quality of labor life in the result of their dissociation and absence of experience and levers influences on employers is insufficient.

4. For production of the goods, services, the organization should have an operating system, formed from three subsystems: the processing; providing; management subsystems. In sphere of production of material assets (goods) and services strategic decisions relatively to: designing of the

enterprises; designing of items; designing of workflows. Management of functioning of operating systems from productions of the goods and services enveloping the planning of activity, management material stock, operational management by production-economic processes.

5. The choice of indicators and characteristics is one of the basic problems of economic activities, which display productivity of the production-economic organization. Management of productivity provides concentration of attention on productivity and productivity: producing relatively to the general policy; producing strategic plans of the justification of programs of productivity; producing approaches to strategy and methods of measurement, estimation and performance control.

6. Effect of management is shown in general result of functioning of the organization, in local results of activity of system of management in whole and its components. At market economy the basic result (effect) production-economic and management activity is the profit. Management performance indicators display complexity internal and external relations and the communications existing in managing system, communications between it and managed system and external environment. Such system of indicators should state an objective estimation as to process performance of management as a whole, and efficiency of functioning of components of system of management.

4. The organization is dynamic system, it constantly and continuously changes. All changes are constants, interconnected and, as a rule, are performed with participation of workers of the organization. Change predetermines necessity of innovations which lead more often to:

Changes of the organization purposes; change of organizational structure of management (delegation of powers, responsibility, functional division); change of technicians,

technological processes, designs of items; changes of possibilities or behavior of workers; changes in management;

C. Bernard (the American economist) asserts that before realization certain organizational change is reasonable: to make the weighed choice administrative levers for the purpose of provision of necessary influence on the subordinates involved to the changes; to consider structure and volumes of expenses, which are predetermined with changes and probability of their complete recoupment; to take into consideration time factor; lead changes in a direction of increase of efficiency of organization activity.

Organizational changes as object management is set of changes in the organization which predetermine realization of innovations and can occur in such directions: change of the purposes of the organization, structure, techniques, technological processes, designs of items, management it is production-economic activities.

Management change in the organization is concrete function of management. Therefore the technology of management is implemented by them through general functions of management: planning, the organization, motivation, the control

Fully naturally that in each organization there is a certain resistance changes, caused is: uncertainty of a situation; probability of origin of conflict situations; possibility of personal losses; confidence that changes will not bring anything good; expectation of negative consequences.

The manager should own the information not only on the one who from workers opposes changes in the organization, but also to find out the reason of such position. Knowledge of the reasons which have generated resistance changes, arguments which prove thus are the major precondition of their overcoming. For resistance overcoming changes use such events: open discussion of ideas; attraction of subordinates to

accepting of management decisions; support of workers, which are active participants of processes, connected with the changes; negotiations concerning the introductions of innovations; the given reason explanation of predicted advantages from introduction changes; promotion of separate workers on the higher posts; the order of person, who can opposes to changes, the leading part in decision making about innovations more; Maneuvering for the purpose of consent reception on changes; commanding; creation of the mechanism of stimulation of workers for innovating; management structure reorganization.

Questions and tasks for self-control

1. Calculate possible indexes of management economic effectiveness. Actual production power on the enterprise during October is 60000 units of made production. Quantity of industrial staff is 900 employees. Average fixed quantity of employees at the 1 of September – 1600, 40 employees were fired during September. During one year enterprise produced made production on the sum 560000 uah, and realized on the sum 890000 uah. Average cost of sources for the year is 750000 uah. Average cost of reversible remains source in the warehouse at the end of the year – 90000 uah. Results of activity during one year: cost price of made production– 540000 uah, income from the made production realization – 1360000 uah (with VAT). Balance acts are given below. Statutory capital – 18,6 thousand uah, Undistributed income – 45,9 thousand uah, Debit debt for goods, work and services: Primary value – 35,9 thousand uah, Credit debt for goods, work and services – 37,5 thousand uah, Money: National currency – 124 thousand uah, Short-term bank credits – 175,5 thousand uah, Long-term financial investments – 12,4 thousand uah, Current debts: Budget – 3,6 thousand uah, Paying salary –

8,4 thousand uah, Participants – 7,7 thousand uah, Non-material actives: residual value – 12,9 thousand uah, Inventory: Made production – 79,9 thousand uah, Materials – 12 thousand uah, Fuel – 2,3 thousand uah

Basic means: Primary value – 29,3 thousand uah, Wear – 3,1 thousand uah.

2. Calculate possible indexes of management effectiveness.

Evaluate the effectiveness of management decision according to such indexes (structure rationality coefficient, centralization, reliability, purposefulness). Make conclusions. Quantity of manager's staff according to norm – 15, actually – 17 employees. While making a special task 8 variants of decisions were made on all management levels concerning the optimization of making, 3 of them were made by main managers of enterprise. 6 employees worked on the variants of these decisions. Actually 5 decisions of 8 were realized.

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MANAGEMENT

МЕНЕДЖМЕНТ

Курс лекцій

(на допомогу іноземним студентам
денної та заочної форм навчання
спеціальності «Фінанси», «Менеджмент»
та «Маркетинг»)

Метою вивчення дисципліни «Менеджмент» є: отримання комплексу знань відносно вибору нових форм і методів менеджменту при створенні цілісної, ефективної і гнучкої системи управління підприємством в умовах розвинутої ринкової економіки та формування нового мислення майбутнього фахівця в області управління діяльністю підприємств.

Курс лекцій дисципліни „Менеджмент” складено відповідно до програми вивчення дисципліни та розкриває конкретні проблеми запланованого для вивчення теоретичного матеріалу та доповнює його. Достатньо детальний конспект лекцій повинен забезпечити інтенсивніше використання лекційного часу і систематизувати самостійну роботу студентів.

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