

CIHAN UNIVERSITY – SLEMANI

BUSINESS ADMINISTRATION AND  
ACCOUNTING DEPARTMENTS

PRINCIPLES OF MANAGEMENT II

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# ORGANIZATION MISSION

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- A mission statement should answer three key questions:
- What do we do?
- For whom do we do it?
- What is the benefit?



# WHAT A MISSION CAN BE?

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- **Statements that explain who we are:**
  - Type of organization
  - Products/services
  - Needs we fill
- **Statements that explain our direction, our purpose, our reason for being:**
  - What difference do we make?
- **Statements that explain what makes us unique:**
  - Values
  - People
  - Combination of products and services

# ORGANIZATION VISION

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- A vision statement describes how the future will look if the organization achieves its mission.
- Vision statement identifies where the organization intends to be in the future or where it should be to best meet the needs of stakeholders.



# DIFFERENCE BETWEEN MISSION AND VISION

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- What is the difference between a mission statement and a vision statement?
- A mission statement is what an organization is all about.
- A vision statement is what the organization wants to become.

# ORGANIZATION GOALS

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- Provides more specific direction on what the organization must do to achieve its vision and mission—interim steps toward achieving the vision and mission.
- As interim steps, objectives are:
  - Long-term
  - Short-term



# GOALS CHARACTERISTICS



What do you want to do?

How will you know when you've reached it?

Is it in your power to accomplish it?

Can you realistically achieve it?

When exactly do you want to accomplish it?



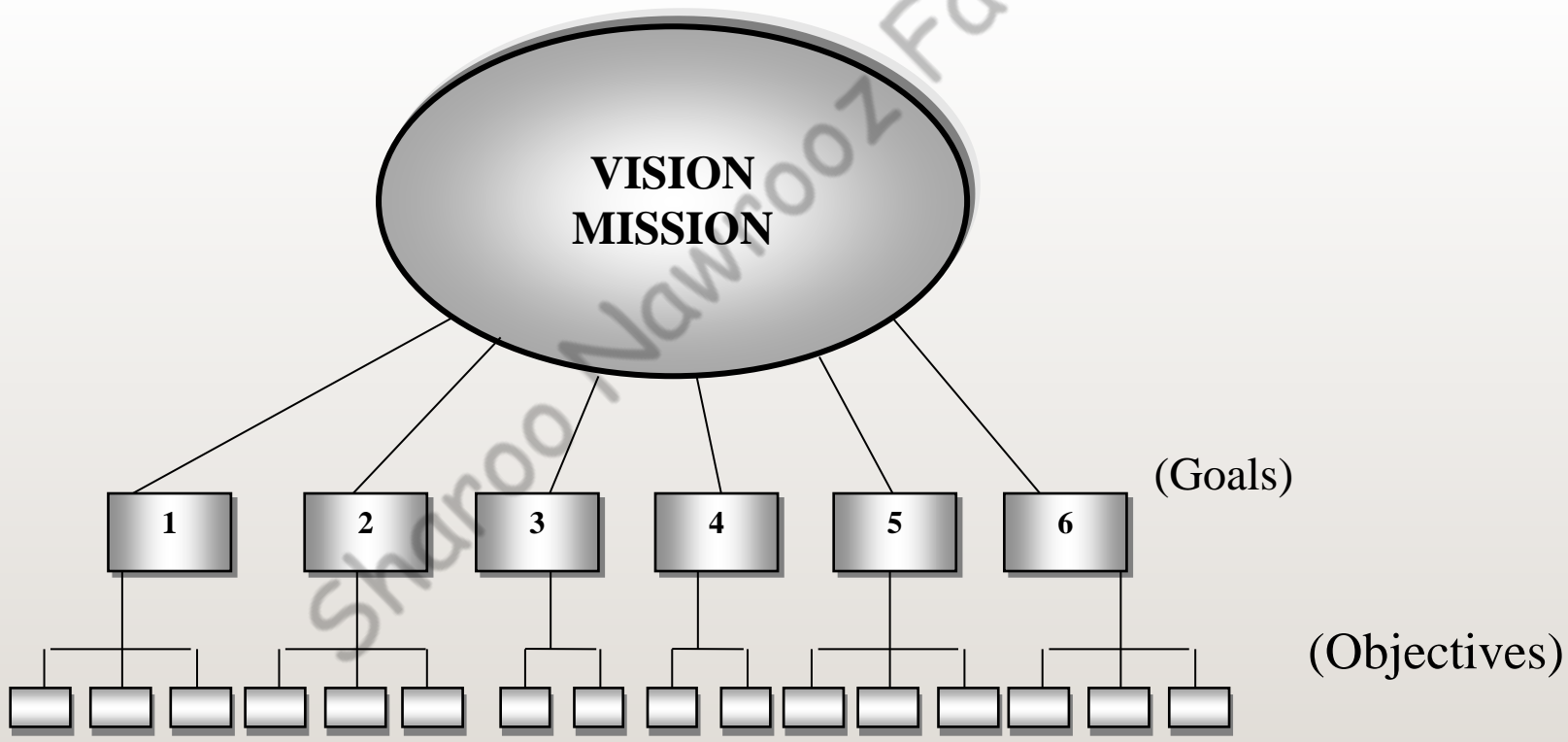
# GOALS CHARACTERISTICS

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- **Specific:** precisely what needs to be achieved.
- **Measurable:** at least one indicator that measures progress toward fulfilling objective.
- **Appropriate:** consistent with vision and mission statements.
- **Realistic:** must be achievable.
- **Time-based:** must have a deadline for achieving the objective.

# THE CHART OF ORGANIZATION'S VISION, MISSION AND OBJECTIVES

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# ORGANIZATION MANAGEMENT'S FUNCTIONS

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Every organization has management and must go through some basic steps to operate their mission and accomplish their goals which is called the functions of the management, those functions can be as the following diagram:



# I. PLANNING

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Q/ What is planning?

Planning is deciding what objectives to accomplish, the actions to be taken in order to achieve them, the organizational position assigned to do them and who would be responsible for the actions needed.



# TYPES OF PLANS

## Strategic plans

- Involves analyzing competitive opportunities & threats, as well as the strengths & weaknesses of the organization, & determining how to position the organization to compete effectively in their environment.

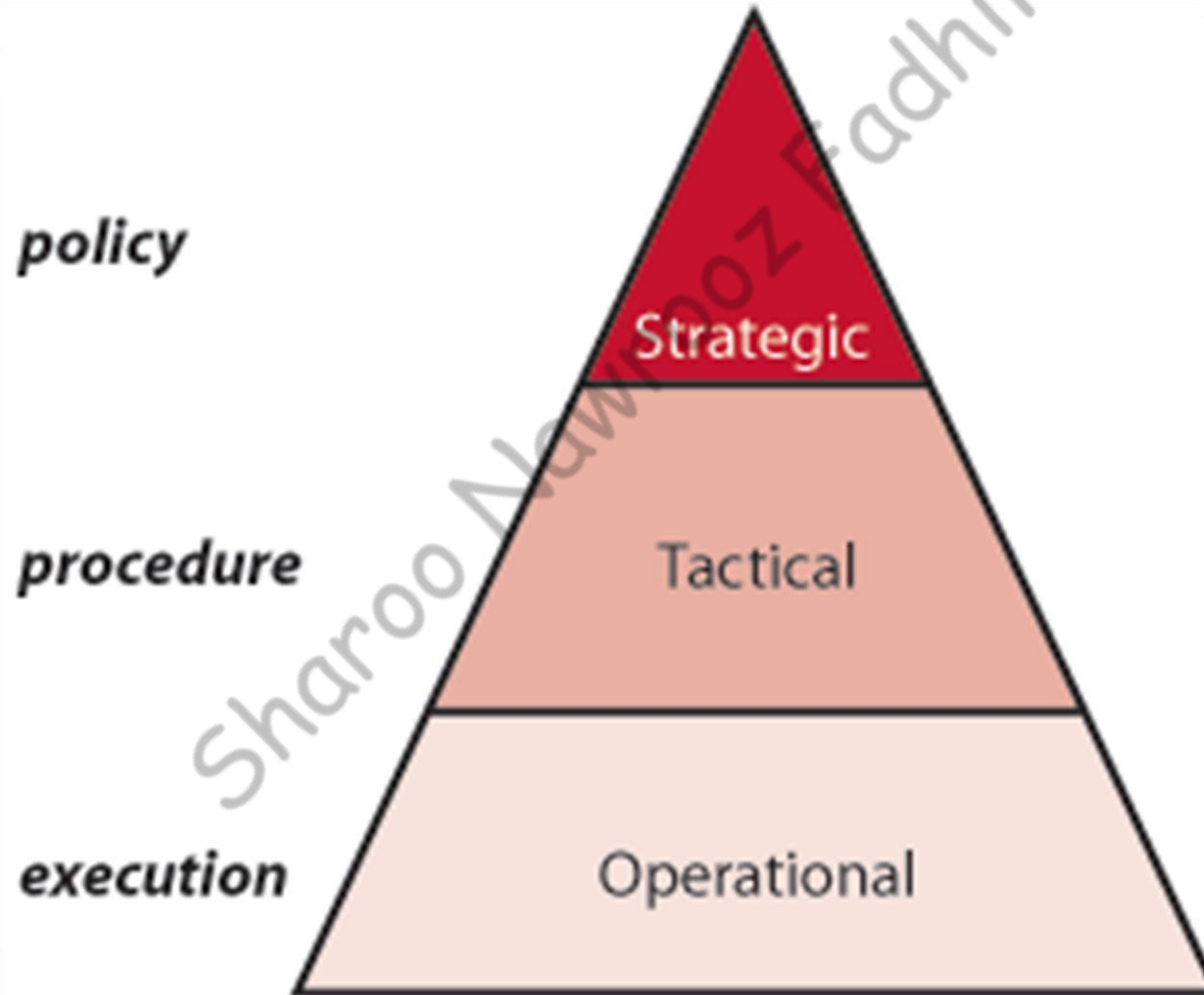
## Tactical plans

- Creates the blueprint for the larger strategic plan. These plans are often short term and are carried out by middle-level managers.

## Operational plans

- Covers the entire organization's goals & objectives and puts into practice the ways & action steps to achieve the strategic plans. Very short term plans, usually less than a year.

# TYPES OF PLANS BASED ON MANAGEMENT LEVELS

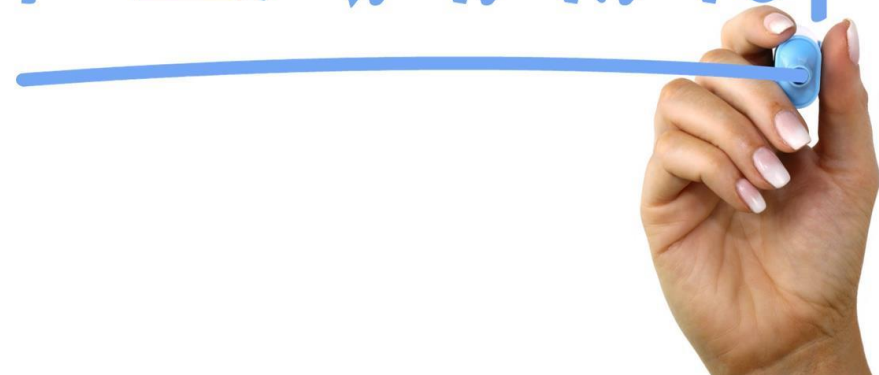


# STEPS IN PLANNING

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- 1. Being aware of opportunities.**
- 2. Establishing objectives**
- 3. Determining alternative courses of action.**
- 4. Evaluating alternative courses of action.**
- 5. Selecting a course of action.**
- 6. Numbering plans by budgeting.**

PLANNING



# PLANS SOMETIMES FAIL BECAUSE OF:

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1. Lack of commitment to planning.
2. Confusion of planning studies with plans.
3. Failure to develop and implement sound strategies.
4. Lack of meaningful objectives and goals.
5. Failure to see planning as a rational process.
6. Lack of top right support.
7. Lack of clear delegation.



## 2. ORGANIZING

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**Organizing:** is the process of creating a structure for the organization that will enable the various players to work together effectively towards its objectives.



# BASIC PRINCIPLES OF ORGANIZING

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1. Division of work and specialization
2. Departmentation
3. Coordination
4. Chain of command
5. Unity of command
6. Span of control



# 3. DIRECTING

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Directing: It is that part of managerial function which actuates the organizational methods to work efficiently for achievement of organizational purposes.

Direction is that inert-personnel aspect of management which deals directly with influencing, guiding, supervising, motivating sub-ordinate for the achievement of organizational goals.



# ELEMENTS OF DIRECTING

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**Direction has following elements:**

1. Supervision
2. Motivation
3. Communication
4. Leadership



## 4. CONTROLLING

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- **Controlling** is an important function performed by the supervisor.
- **Controlling as a management function involves following steps:**
  1. Establishment of standards.
  2. Measurement of performance.
  3. Comparison of actual and standard performance.
  4. Taking corrective actions.

# CHARACTERISTICS OF CONTROLLING FUNCTION OF MANAGEMENT

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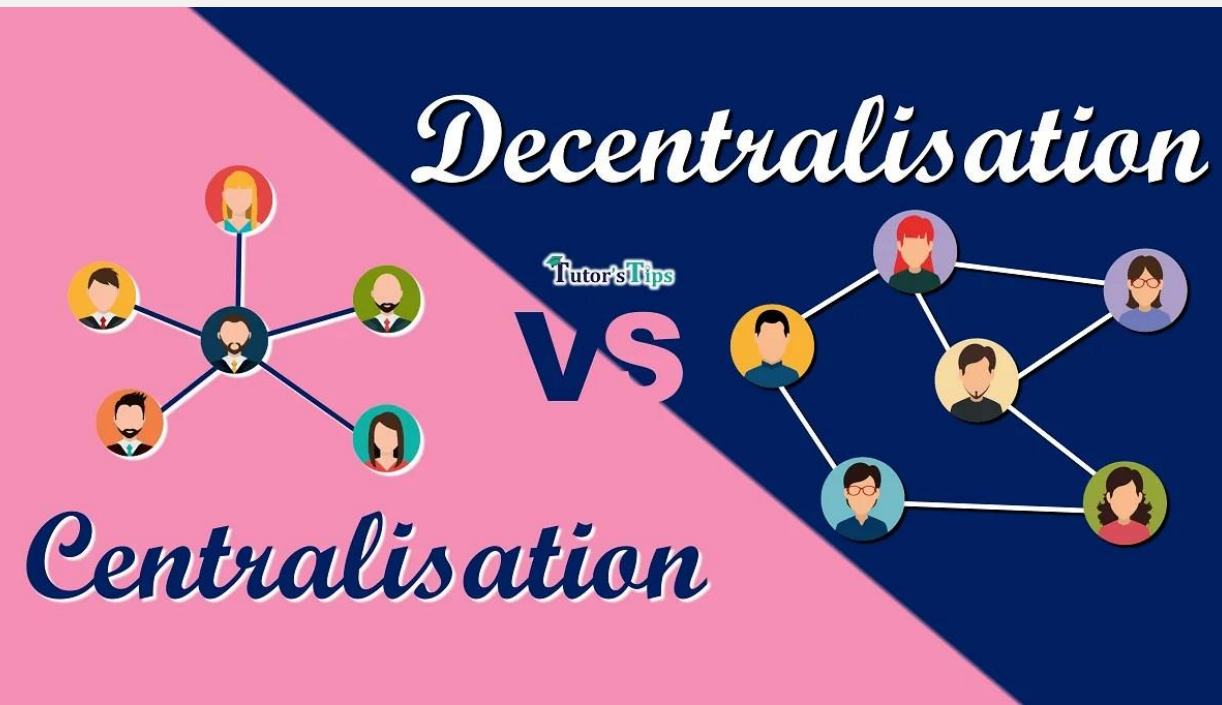
1. Controlling is an end function.
2. Controlling is a pervasive function.
3. Controlling is forward looking.
4. Controlling is a dynamic process.
5. Controlling is related with planning.



# CENTRALIZATION AND DECENTRALIZATION

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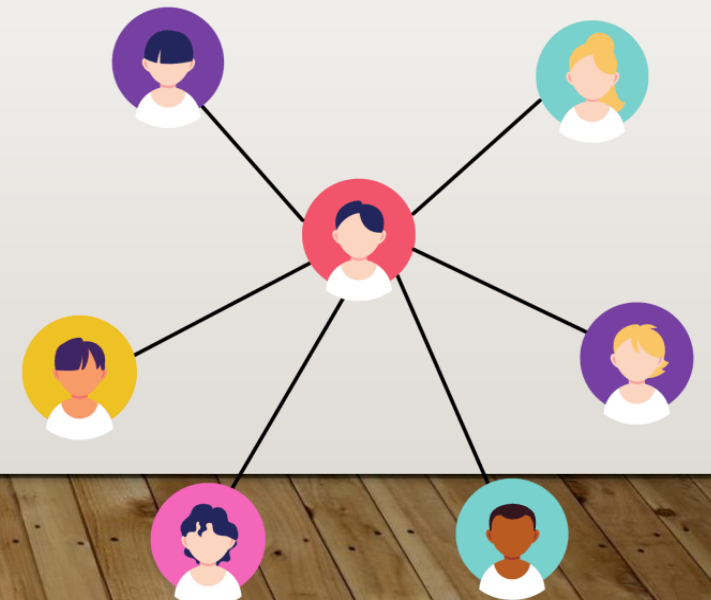
Centralization and decentralization refer to the distribution of decision-making authority and control within an organization. These concepts play a crucial role in shaping the structure of an organization and influencing how decisions are made at different levels.



# CENTRALIZATION

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Definition: Centralization refers to the concentration of decision-making authority at the top levels of an organization's hierarchy. In a centralized structure, key decisions are made by a small group of top executives or a single individual at the top of the organizational pyramid.





# CHARACTERISTICS OF CENTRALIZATION:

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- 1. Decision-Making Authority:** Decision-making authority is retained by top management.
- 2. Quick Decision-Making:** Decisions can be made more quickly as there are fewer levels of approval.
- 3. Consistency:** Ensures consistent implementation of policies and procedures.
- 4. Top-Down Communication:** Communication flows predominantly from top to bottom.


# ADVANTAGES AND DISADVANTAGES:

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## Advantages:

- **Clear Chain of Command:** Clearly defined lines of authority and responsibility.
- **Uniform Policies:** Ensures consistency in policies and procedures.
- **Quick Decision-Making:** Faster decision-making due to a streamlined process.

## Disadvantages:

- **Lack of Flexibility:** Limited flexibility and adaptability to local conditions.
  - **Overburdened Top Management:** Overloads top executives with decision-making responsibilities.
  - **Reduced Employee Initiative:** May lead to a lack of employee involvement and initiative.
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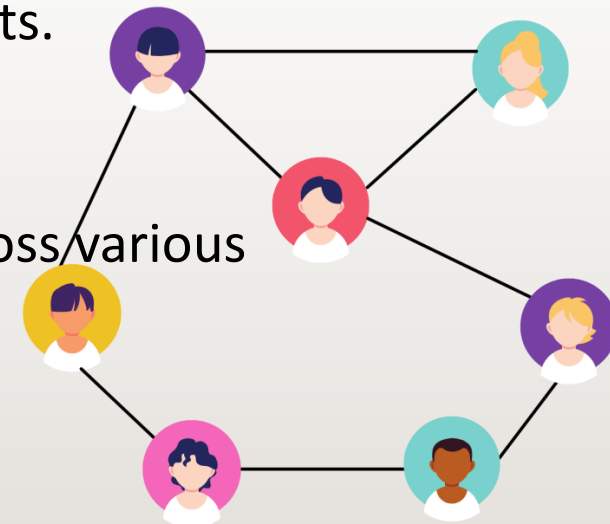
# DECENTRALIZATION

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**Definition:** Decentralization involves the distribution of decision-making authority across different levels of an organization. In a decentralized structure, decision-making power is delegated to lower levels of management or various departments and units.

## Characteristics:

- 1. Decision-Making Authority:** Decision-making authority is dispersed across various organizational levels.
- 2. Local Autonomy:** Local units have more autonomy in decision-making.
- 3. Faster Response to Local Issues:** Allows for faster responses to local issues and changes.
- 4. Bottom-Up Communication:** Encourages communication from bottom to top.




# ADVANTAGES AND DISADVANTAGES:

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## Advantages:

- **Local Initiative:** Encourages local initiative and innovation.
- **Reduced Workload on Top Management:** Distributes decision-making, reducing the burden on top executives.
- **Faster Response:** Enables quicker responses to local market conditions.

## Disadvantages:

- **Inconsistency:** This may lead to inconsistencies in policies and procedures.
  - **Potential Conflict:** Possibility of conflicting decisions among different units.
  - **Training and Coordination:** Requires effective training and coordination to ensure alignment with organizational goals.
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# HYBRID OR MIXED STRUCTURES

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- Many organizations adopt hybrid or mixed structures that incorporate elements of both centralization and decentralization. This allows them to benefit from the advantages of both approaches while mitigating their respective disadvantages. **In such cases, critical strategic decisions may be centralized, while operational decisions are decentralized.**
- The choice between centralization and decentralization depends on factors such as the **organization's size, industry, culture, and strategic goals.** Organizations may also revisit their decision-making structures in response to changes in the external environment or internal dynamics.

# INTERPERSONAL SKILLS

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Interpersonal skills are the abilities individuals use to interact effectively and harmoniously with others in various social and professional situations. These skills are crucial for building and maintaining relationships, communicating effectively, and navigating social interactions.

Sharon Nawroo7 Padhil

## Interpersonal skills

Teamwork

Leadership

Patience

Responsibility

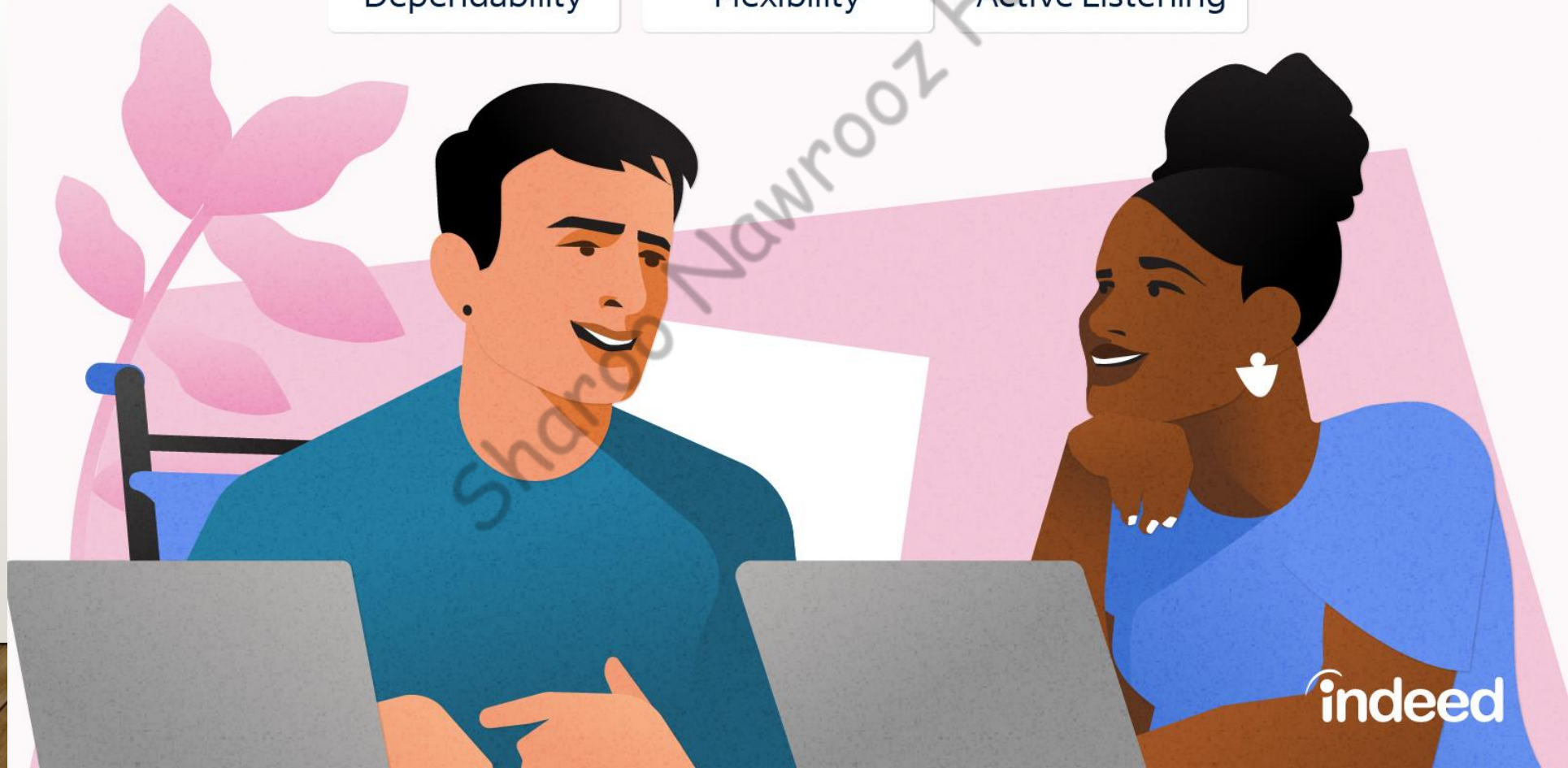
Motivation

Empathy

Dependability

Flexibility

Active Listening





Decision-Making Skills

Communication Skills

Teamwork

Self Awareness

Relationship Management

Conflict Resolution

# INTERPERSONAL SKILLS

Staying Positive

Emotional Intelligence

Problem Solving Skills

Questioning



# HAVING STRONG INTERPERSONAL SKILLS WILL HELP YOU:



Increase your chances of landing your dream job.



Build lasting relationships in your workplace.



Empathize with your workmates, customers, and partners.



Motivate those within your team.



Contribute to your team's productivity, morale, and overall success.



Drive collaboration, unity, and teamwork.



Get more career growth opportunities.



Thrive both in your professional and personal life.

# LEADERSHIP STYLES

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Leadership styles refer to the different approaches that leaders use to guide and influence their teams or organizations.

- 1. Autocratic Leadership:** In this style, the leader makes decisions without input from others and maintains tight control over the team. This style can be efficient in certain situations but may stifle creativity and motivation.
- 2. Democratic Leadership:** Also known as participative leadership, this style involves involving team members in the decision-making process. It encourages collaboration, creativity, and a sense of ownership among team members.

# LEADERSHIP STYLES

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- 3. Transformational Leadership:** Transformational leaders inspire and motivate their teams by setting a compelling vision, providing support and encouragement, and fostering personal growth and development.
- 4. Transactional Leadership:** Transactional leaders focus on task completion and use rewards and punishments to motivate their team members. They emphasize clear expectations, accountability, and adherence to rules and procedures.

# LEADERSHIP STYLES

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- 5. Servant Leadership:** Servant leaders prioritize the needs of their team members and focus on serving and empowering them to reach their full potential. They lead by example and cultivate a culture of empathy, collaboration, and trust.
- 6. Charismatic Leadership:** Charismatic leaders possess strong charisma and personality traits that inspire and influence others. They are often persuasive communicators and can rally people around a shared vision or goal.

# LEADERSHIP STYLES

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- 7. Laissez-Faire Leadership:** In this style, leaders provide minimal guidance or direction to their team members, allowing them considerable freedom to make decisions and manage their own work. This style can foster independence and creativity but may lead to a lack of coordination or accountability.

# MANAGEMENT THEORIES

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Management theories are frameworks or models that provide insights and guidance on how organizations can be managed effectively. These theories are developed through observation, research, and analysis of organizational behavior, leadership, decision-making, and other aspects of management. They offer principles, concepts, and practices that help managers understand, predict, and improve organizational performance.

# MASLOW'S HIERARCHY OF NEEDS



# MASLOW'S HIERARCHY OF NEEDS

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- 1. Physiological needs:** Food, drink, shelter, sex, and other physical requirements.
- 2. Safety needs:** Security and protection from physical and emotional harm, as well as assurance that physical needs will continue to be met.
- 3. Social needs:** Affection, belongingness, acceptance, and friendship.
- 4. Esteem needs:** Internal esteem factors such as self-respect, autonomy, and achievement and external esteem factors such as status, recognition, and attention.
- 5. Self-actualization needs:** Growth, achieving one's potential, and self-fulfillment; the drive to become what one is capable of becoming.



# NEO-CLASSICAL THEORY OF MANAGEMENT

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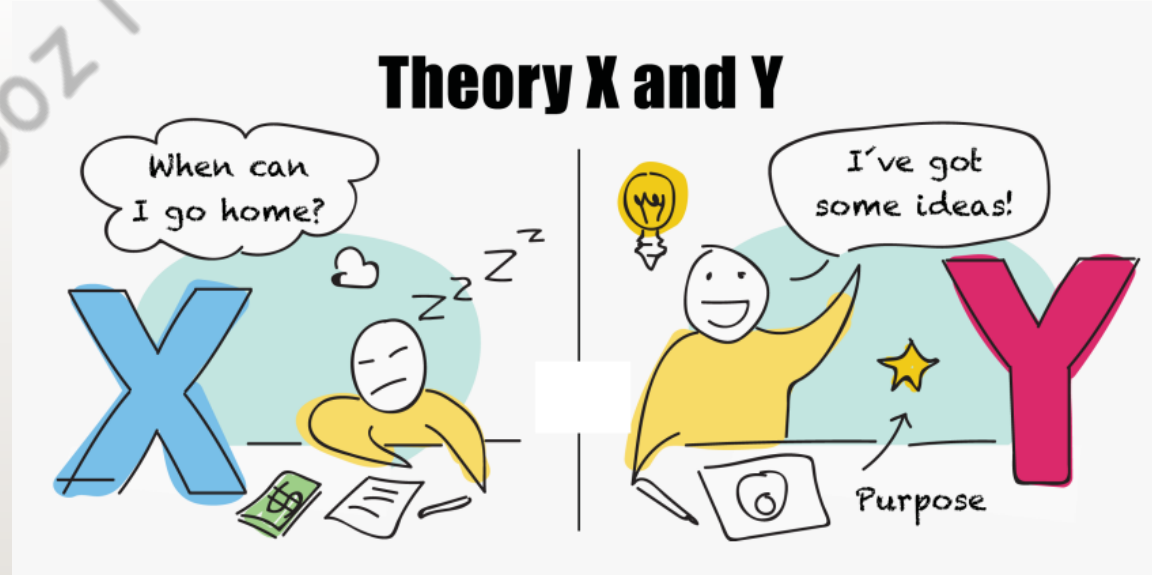
## Douglas McGregor (1967)

- **Theory X**
- The average person has an inherent dislike for work and will avoid it if possible.
- Because of dislike for work, people must be coerced, controlled, directed, and threatened with punishment to get them to work.
- The average human being prefers to be directed, wishes to avoid responsibility, has limited ambition and wants security above all else.

# NEO-CLASSICAL THEORY OF MANAGEMENT

## • Theory Y

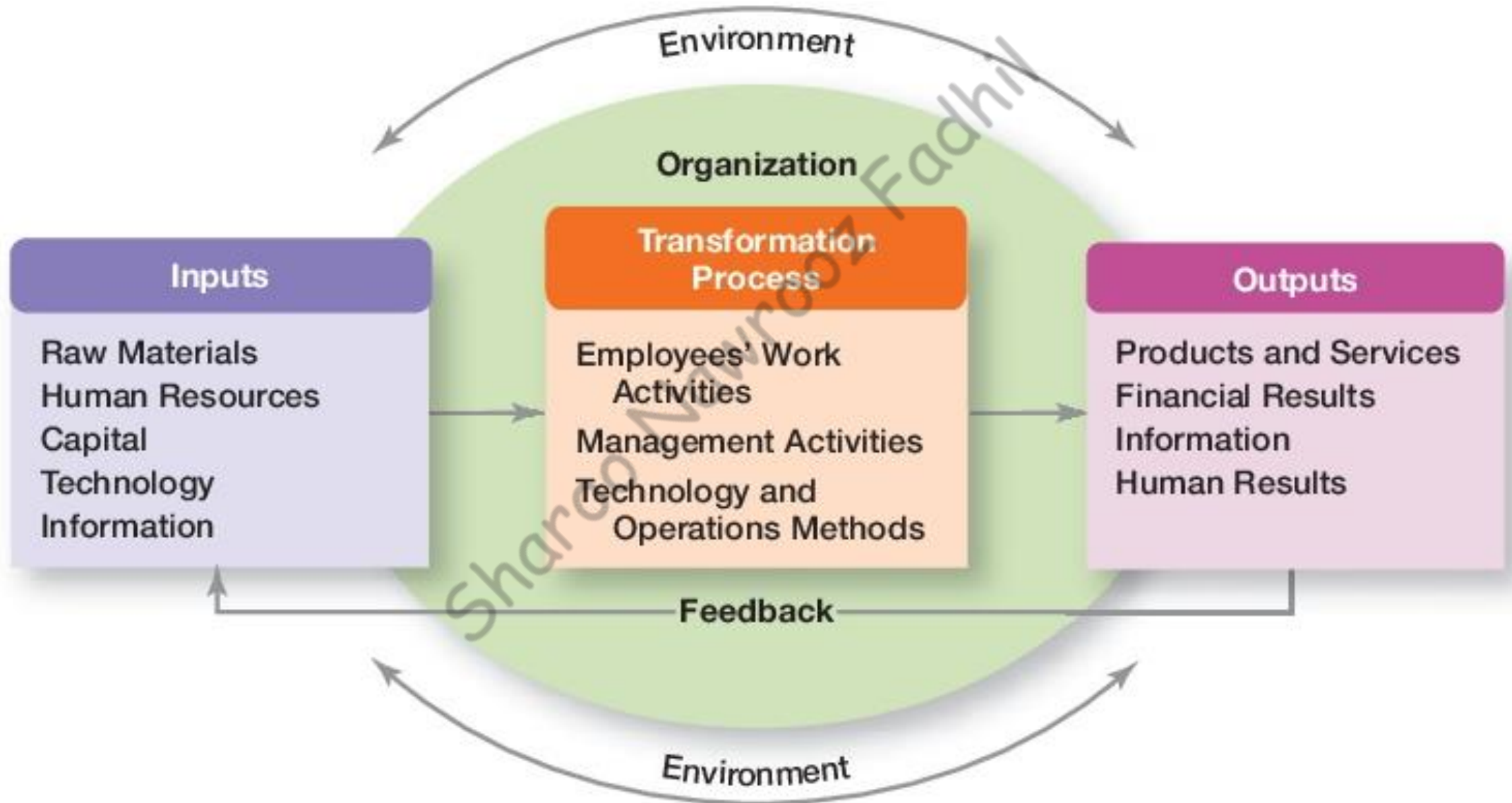
- The use of physical and mental effort in work is as natural as play or rest.
- People will exercise self-direction and self-control in the service of objectives to which they are committed.
- Commitment to objectives is a function of the rewards associated with achievement.



# Douglas McGregor - Theory X and Theory Y



# THE ORGANIZATION AS AN OPEN SYSTEM



# 改善

Kai = Change

Zen = for the better

Everyday – Everybody - Everywhere

# KAIZEN

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- A Japanese business philosophy of continuous improvement of working practices, personal efficiency, etc.
- Kaizen is a Japanese term meaning **"change for the better" or "continuous improvement"**
- The Sino-Japanese word for "improvement", is a concept referring to business activities that continuously improve all functions and involve all employees from the **CEO to the assembly line workers.** It has been applied in **healthcare, psychotherapy, life coaching, government, and banking.**

# THE HISTORY OF KAIZEN

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- The foundation of Kaizen was laid in **Japan after the Second World War**, when the country was attempting to **rebuild factories** and **rethink many systems**. The concept of Kaizen began to be formed and it took off in the **1950s**.
- Kaizen was first practiced in **Japanese businesses** after **World War II**, **influenced in part by American business** and **quality-management teachers**, and most notably as **part of The Toyota Way**.

# THE CONCEPT OF KAIZEN

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- The concept of kaizen encompasses a wide range of ideas. It involves:  
**making the work environment more efficient and effective by:**
  1. Creating a team atmosphere
  2. Improving everyday procedures
  3. Ensuring employee engagement
  4. Making a job more fulfilling, less tiring, and safer



# WHO MADE KAIZEN POPULAR?

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- In 1985 **Masaaki Imai** found Kaizen Institute to promote Kaizen worldwide.
- In 1986, **Masaaki Imai** sat down to pen the groundbreaking book '**Kaizen: The Key to Japan's Competitive Success**'. Through this book, the term KAIZEN™ was introduced in the western world.
- Today KAIZEN™ is recognized worldwide as an important pillar of an **organization's long-term competitive strategy**. Since introducing this term as a systematic approach for business improvement, companies that implement KAIZEN™ have continually yielded **superior results**.



# CODE OF CONDUCT



- A code of conduct is a set of rules or guidelines that outline the expected behaviour of individuals within a particular organization, community, or group. These rules typically govern interactions, both within the organization and with external parties, and are designed to promote ethical behaviour, respect, professionalism, and compliance with applicable laws and regulations.



RESPONSIBILITY



COACHING



INNOVATION



ETHICS

# CODE OF CONDUCT

GOALS



TEAMWORK



CUSTOMERS




TRUST




## A TYPICAL CODE OF CONDUCT MAY COVER VARIOUS AREAS SUCH AS:

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- 1. Ethical behavior:** This includes honesty, integrity, and fairness in all dealings, both internal and external.
  - 2. Respect:** Treating all individuals with dignity, fairness, and respect, regardless of differences in background, beliefs, or opinions.
  - 3. Compliance:** Adhering to all relevant laws, regulations, and organizational policies, including those related to conflicts of interest, confidentiality, and intellectual property.
  - 4. Professionalism:** Conducting oneself in a manner that upholds the reputation and standards of the organization, including appropriate dress, language, and demeanor.
- 

## A TYPICAL CODE OF CONDUCT MAY COVER VARIOUS AREAS SUCH AS:

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5. **Conflicts of interest:** Avoid situations where personal interests may conflict with the interests of the organization or its stakeholders.
  6. **Confidentiality:** Respecting the privacy and confidentiality of sensitive information, including proprietary data, customer information, and personnel matters.
  7. **Accountability:** Taking responsibility for one's actions and decisions, and addressing any mistakes or misconduct promptly and transparently.
  8. **Reporting:** Encouraging individuals to report any violations of the code of conduct, either through established channels within the organization or to relevant authorities.
- 

# BUSINESS ETHICS

Business ethics refers to the principles and standards that guide the behavior of individuals and organizations in the business world.

It involves the application of moral values and principles to business activities and decision-making processes.

The goal of business ethics is to promote integrity, fairness, responsibility, and transparency in all aspects of business operations.



# BUSINESS ETHICS AND BEHAVIOR

- Businesses are responsible toward:
  1. Employee
  2. Customers, Stakeholders, Government
  3. Society
  4. Environment

## CASE STUDIES



# BUSINESS ETIQUETTE

- Business etiquette refers to the set of rules, norms, and practices that govern appropriate behavior in professional settings. It encompasses the manners, customs, and protocols that individuals are expected to follow when interacting with colleagues, clients, customers, and other business associates.

## Business Etiquette





## Office Etiquette Rules

- ★ Be on time
- ★ Don't get too personal
- ★ Respect your colleagues
- ★ Keep phone usage to a minimum
- ★ Dress to make an impression
- ★ Avoid office gossip
- ★ Treat correspondence professionally
- ★ Share the credit

## 16 Office Etiquette Tips For A Better Company Culture

- ✓ Respectful Communication
- ✓ Punctuality
- ✓ Professional Appearance
- ✓ Collaboration And Teamwork
- ✓ Respect for Diversity
- ✓ Office Space and Equipment
- ✓ Professional Conduct
- ✓ Meeting Etiquette
- ✓ Digital Etiquette
- ✓ Recognition And Appreciation
- ✓ Conflict Resolution
- ✓ Personal Boundaries
- ✓ Email and Communication Etiquette
- ✓ Workplace Wellness
- ✓ Continuous Learning and Development
- ✓ Social Responsibility



Maake  
Ua Tsaug Rau Koj  
Obrigado  
DANK JE  
Mochchakkeram  
Raibh Maith Agat  
Obrigado  
Terma Kasih  
Chokrane  
Grazie  
ASANTE  
Merci  
Raibh Maith Agat  
DANK JE  
Merci  
ASANTE  
Vinaka  
DANK JE  
SPASIBO  
Multumesc  
Obrigado  
Matondo  
Chokrane  
Raibh Maith Agat  
Asante  
Multumesc  
Matur Nuwun  
SPASIBO  
Cam on ban  
Kiitos  
Raibh Maith Agat  
Obrigado  
Merci  
Chokrane  
Raibh Maith Agat  
Obrigado  
Multumesc  
Maake  
Mochchakkeram

Kiitos  
Obrigado  
Mamana  
DANK JE  
MATONDO  
Dankon  
Kiitos  
SPASIBO  
Kiitos  
Welain  
Juspaxa  
Chokra  
Dankon  
Maake

Obrigado  
Kia Ora  
DANK JE  
SPASIBO  
ASANTE  
Mamana  
Grazie  
Kiitos  
Multumesc  
Nirringrazzjak  
Chokrane  
MAAKE  
DANK JE  
MAAKE  
Mochchakkeram  
Matondo  
ASANTE  
Obrigado  
Raibh Maith Agat  
Chokrane  
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Matondo  
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Multumesc  
Mochchakkeram  
Obrigado  
NIRRINGRAZZJAK  
Raibh Maith Agat  
Obrigado  
SPASIBO  
Matondo  
Obrigado  
Salamat  
Multumesc  
Matur Nuwun  
Chokrane  
Raibh Maith Agat

**Thank You**

**alalamat**

A hand holding a pen writing on a notepad, with a word cloud of thank-you phrases in various languages. The word 'Thank You' is the largest and most prominent, written in red. Other words include 'Merci', 'Obrigado', 'Mamana', 'Matondo', 'Kiitos', 'ASANTE', 'NIRRINGRAZZJAK', 'Arigato', 'Matur Nuwun', 'Maake', 'Mochchakkeram', 'Juspaxa', 'Chokra', 'Dankon', 'Maake', 'Ua Tsaug Rau Koj', 'Terma Kasih', 'Raibh Maith Agat', 'Multumesc', 'Cam on ban', 'Salamat', 'Welain', 'Dankon', 'Chokrane', 'Grazie', 'DANK JE', 'SPASIBO', 'Matur Nuwun', 'Chokrane', 'Raibh Maith Agat', 'Obrigado', 'Multumesc', 'Maake', 'Mochchakkeram', 'Nirringrazzjak', 'ASANTE', 'Mamana', 'Grazie', 'Kiitos', 'Multumesc', 'Matondo', 'ASANTE', 'Obrigado', 'Raibh Maith Agat', 'Chokrane', 'SPASIBO', 'Kiitos', 'Matondo', 'SPASIBO', 'Multumesc', 'Mochchakkeram', 'Obrigado', 'NIRRINGRAZZJAK', 'Raibh Maith Agat', 'Obrigado', 'SPASIBO', 'Matondo', 'Obrigado', 'Salamat', 'Multumesc', 'Matur Nuwun', 'Chokrane', 'Raibh Maith Agat'.