CHAPTER TWO
LITERATURE REVIEW

2.0 Introduction

This chapter reviews related literature review of the study, which discusses what a manager does. Reviews are done on early studies of managerial functions, which mention the work of Henri Fayol and Federick W. Taylor. This is followed by discussion on University of Minnesota Studies, Hemphill’s Research, Single Company Studies and Managerial Work in the Academic World. The second half of this chapter discusses the seven categories of managerial activities identified by Luthans and Lockwood (1984) in Wright (1996), on which this observational study was based on.

2.1 Managers occupy a wide variety of positions, each with its own particular demands and responsibilities. This results in managerial posts differing as to the hours required, the behaviour desired and the capacity to control their own behaviour. There is one fact, however, that seems to characterize almost all managers – they work long hours. Data from the household surveys of bureau of Labour Statistics
(Webber, 1975) showed that managers put in more time than any other occupational group:

(i) managers, officials and proprietors, 47.0 hours per week;
(ii) craftsmen and foremen, 40.9 hours per week;
(iii) professional and technical workers, 39.6 hours;
(iv) operatives, 39.6 hours;
(v) sales workers, 36.6 hours;
(vi) clerical workers, 35.6 hours;
(vii) labourers, 34.4 hours; and
(viii) private household workers, 22 hours per week.

Other research indicates that the average manager spends approximately 43 hours per week at the office.

According to the researchers, the behaviour of a manager is two-dimensional. The first dimension illustrates the manager’s responsive behaviour towards various people. This sums up the demands made upon the manager to respond to others. It includes time talking with people who call or come to him/her. The second dimension is their directive behaviour, which involves directing the subordinates. This
authoritative management is suggested by time devoted to checking, auditing, giving orders and directing activities of others.

Managers are concerned with making the organization function as an organization. This involves evolving routines, the source of efficiency, and making these routines relative to the purposes of the organization. Managers need explicit guides to allocate time properly since so much managerial work is un-programmed. In order to provide the organization operational job descriptions so that appraisal is real, training can be relevant and selection can be validated.

One way to increase effectiveness of organizations is to improve the way in which managers do their jobs. To do that is to understand more fully what is it that they do, that is, the components of managerial work, by breaking it down into a set of sub-activities whereby individual skills can be improved. Research on managerial behaviour may be either comprehensive – utilizing managers drawn from a number of organizations, or restricted to a single organization.
2.2 Early Studies of Managerial Functions

2.2.1 Henri Fayol

The initial formulations regarding management functions came from Fayol during the second decade of this century. His views on management process were first published in 1916 under the title *Administration Industrielle et Generale*. His presentation was divided into two parts: (1) necessity and possibility of teaching management, and (2) principles and elements of management.

Fayol’s first managerial function was planning. He spoke of establishing forecasts, drawing up plans of action, and planning at the national level. Second was organizing. Here his observations ranged widely, considering the structure and composition of the corporation. The third function was command, which he viewed as setting the organization in motion. The stated objective was to get the optimum return from employees. Fourth was coordination, defined as harmonizing process pulling the various parts of the corporation together. According to Fayol, this could be accomplished by such methods as conferences between department heads and the use of
liaison officers. Finally, there was control, the process of verifying whether things occurred in accordance with the original plan.

Fayol also proposed 14 principles of management, many of which remain significant today (Miner, 1973). The principles were stated originally as single words followed by a discussion. They are restated in terms of role prescription as follows:

(a) There should be a division of labour such that different people carry out different activities. However, the division should not carry specialization beyond certain limits.

(b) There should be a measure of authority inherent in management positions, and responsibility should be directly related to this authority.

© There should be good leadership, discipline maintained throughout the organization, clear and fair agreements and judicious penalties.

(d) There should be a unity of command such that only one person exercises authority over the same man.
(e) There should be one person in charge of a group of activities having the same objective, and at the same time only one plan should exist where the objective is the same.

(f) There should be continuing subordination of individual interests to those of the organization as a whole. Firmness and good example from superiors' fair agreements and constant supervision should achieve this.

(g) There should be a system of remuneration, which is fair, which rewards well-directed effort, and which does not produce over-payments beyond reasonable limits.

(h) There should be a degree of centralization or decentralization of authority, which is appropriate to existing circumstances.

(i) There should be a scalar chain of authority and communication ranging from the highest to the lowest positions except the horizontal communication should be encourages where it is beneficial to the organization and where immediate superiors authorize it.

(j) There should be material order such that each thing is in its appointed place, and social order such that each individual is in his appointed place. The latter implies that suitable positions be
established and that the right person be selected for each position.

(k) There should be equity in the treatment of individuals throughout the organization.

(l) There should be, insofar as possible, stability of employment both in a given position and in the organization as a whole.

(m) There should be every opportunity to exercise initiative at all levels in the organization. Initiative is both a means to satisfaction and a stimulant for motivation. As such it is a great source of organizational strength in difficult times.

(n) There should be constant encouragement of esprit de corps and harmony within the organization rather than conflicts and dissension.

2.2.2 Federick W. Taylor

Taylor developed scientific management around the turn of the century and expanded it until his death in 1915. His primary concern was with factory management, emphasizing mostly on the
management of production workers. His frame of reference differs sharply from that of Fayol who developed his ideas from a top management perspective.

Taylor’s ideas are set forth in two major works: Shop Management (1911) and The Principles of Scientific Management (1911). He is often credited with only four basic principles of management (Filipetti, 1953). They are:

a) Develop a science for each man’s work – a one best way.

b) Scientifically select the best man for the job and train him in the procedures he is expected to follow.

c) Cooperate with the men to ensure that the work is in fact done in the way prescribed. This should include, but not be limited to, providing for increased earnings by those who follow the prescribed way most closely.

d) Divide the work so that activities such as planning, organizing and controlling are the prime responsibility of management rather than the individual worker.

Taylor’s principles appear to have had an almost immediate polarizing
effect on the environment. Many quickly accepted scientific management. However, attacks on Taylor's work came almost as quickly as the support. His principles were considered not to be principles at all, and the theory of management proposed was attacked as lacking in internal consistency (Miner, 1973).

2.3 University of Minnesota Studies

Mahoney et al (1963) conducted a research study in which they questioned more than 450 managers in a variety of companies in an attempt to identify in some detail what it was that they did. They identified eight managerial functions and measured the proportions of time spent on each of them by managers. 452 managers at all levels in 13 companies reported on their day-to-day performance. The amount of time spent on the eight activities were noted.
Table 1  Percentage of Workday Spent by Managers on Various Performance Functions and Areas of Competence

(N = 452)

<table>
<thead>
<tr>
<th>Performance Function</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Planning</td>
<td>19.5</td>
</tr>
<tr>
<td>Representing</td>
<td>1.8</td>
</tr>
<tr>
<td>Investigating</td>
<td>12.6</td>
</tr>
<tr>
<td>Negotiating</td>
<td>6.0</td>
</tr>
<tr>
<td>Coordinating</td>
<td>15.0</td>
</tr>
<tr>
<td>Evaluating</td>
<td>12.7</td>
</tr>
<tr>
<td>Supervising</td>
<td>28.4</td>
</tr>
<tr>
<td>Staffing</td>
<td>4.1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>100.1</td>
</tr>
</tbody>
</table>

* Total does not add to 100 percent because of rounding

Planning activities are those in which a manager determines goals, makes decisions and formulates general policies to help those who will do the implementing. In the planning process, goals, which are stated, will be used in the evaluation of performance. In this research study, planning was second in importance to supervising.
Representing the organization thorough speeches, consultation and contact with others outside the organization proved to be a minor managerial function in terms of the time allocated to it. Nevertheless, it is an activity that is apparently important to many organizations.

Problem analysis through collecting and preparing information is a major part of most managerial jobs. This study shows that managers spend 12.6% of their time doing investigation, which involves measuring output, collecting information and researching possible problem solutions.

Dealing with people outside the organization who provide goods or services is negotiation. 6% of their time is used for this purpose.

Coordination is an especially important managerial activity, since it is through it that the flow of work can be smoothed out. The research study shows that 15% of the time is spent on coordinating activities like advising other department heads about deadlines, determining whether or not other departments will be able to meet deadlines,
bringing different groups together at appropriate times and informing 
superiors what is to be done.

Evaluation is a function performed by all managers. Managers must 
judge the desirability of all alternative strategies and implement only 
one. Managers also do the appraisal of employs performance. Such 
appraisal may be the essential factor in the determination of pay 
increase or promotion opportunities for individuals.

For the group of managers surveyed in this research study, 
supervision made up one of the two major components of their jobs. 
Supervision basically consist in making clear to the individual his 
work assignment, disciplining, defining relationships with other 
employees, handling complaints, and training subordinates to improve 
their skills.

Staffing involves the recruitment, selection and placement of 
personnel to maintain the work force. Managers are engaged in 
staffing for they must be concerned with plans and prospects for
acquisition of competent people to carry out the objectives of the organizations.

Overall, the Minnesota research supports a view of management process that would stress planning, investigating, coordinating, evaluating and supervising. Supervising (directing and leading) absorbed the most time while staffing, negotiating and representing were not major functions.

2.4 Hemphill’s Research

Hemphill’s research is another major study but which took a considerable broader approach. Hemphill (1960) incorporated aspects of managerial job, which includes responsibility, demands and restrictions that go well beyond work performance per se. 575 questionnaire items were used. These items included a large number, which deals with quite specific managerial activities.

The questionnaire was administered to 93 managers in five large corporations. The completed questionnaires were analyzed using
factor analysis to separate groups of items that clustered together. A number of significant components of the managerial job were identified. There are described as follows:-

1. Providing a staff service in a non-operational area
2. Supervision of work
3. Business control
4. Technical concern with products and markets
5. Human, community, and social affairs
6. Long-range planning
7. Exercise of broad power and authority
8. Business reputation
9. Personal demands
10. Preservation assets

This study identifies only functions that are represented in the original questionnaire. Planning is supported in 6, controlling in 3 and directing in 2 and 7. Representing seems to emerge in 5 and particularly in 8. In contrast to the findings from the Minnesota research, staffing and representing do appear to be significant functions.
2.5 Single Company Studies

Under single company studies, Haas et al (1969) conducted a research of 355 officers of a large, metropolitan bank. The managers were asked to estimate time spent in the six functions shown below.

Table 2: Percentage of Workday Spent on Various Managerial Functions (Bank Officers)

<table>
<thead>
<tr>
<th>Function</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Negotiating</td>
<td>24.2</td>
</tr>
<tr>
<td>Supervising</td>
<td>20.7</td>
</tr>
<tr>
<td>Evaluating</td>
<td>13.2</td>
</tr>
<tr>
<td>Coordinating</td>
<td>13.1</td>
</tr>
<tr>
<td>Investigating</td>
<td>12.8</td>
</tr>
<tr>
<td>Planning</td>
<td>12.2</td>
</tr>
</tbody>
</table>

It is evident that negotiating and supervising were major functions reported. In the Minnesota study, negotiating took 6% of the time; in the bank it takes over 24%. Evidently bank managers are required to be more active in this area that managers in other businesses are not.
important components of the management process. It is an aspect of
directing that makes it capable of serving as an input-improving
mediator.

Communication is often considered in terms of four levels of analysis:
intra-personal, inter-personal, organizational and technical (Thayer,
1968). The intra-personal level is concerned with how the individual
takes in, processes, and produces communications. The inter-personal
level deals with interactions between individuals and within small
groups. This is the level of analysis that relates most closely to the
directing function, where particular attention is given to factors that
may distort and disrupt inter-personal communication such as that
between superior and subordinate.

The organizational level is concerned with the flow of
communications through various channels in an organization. It is
thus closely related to organization and management theory.

According to classical management theory, communication should
follow the linkages of the scalar chain of command. Such a procedure
tends to foster vertical communication, keeping horizontal
communication flow to a minimum. It means that messages intended for another individual at the same level should go by the hierarchy to the point where a common manager exists and then back down to the desired recipient.

The technical level is concerned with the design and operation of management communication and information systems, with heavy reliance on computer applications. This represents a special domain within the organizational context.

The communication problem is an important consideration in developing the organization structure. Barnard (1951) pointed out that the need of a definite system of communication creates the first task of the organizer and is the immediate origin of executive organization. The executives who occupy positions in the management hierarchy are important links in the chained information flow. The organization structure and the organization chart help to define lines of responsibility and authority. Communication between units of the organization should be carried out in the most direct way. In
establishing such communication however, it is the duty of each member of the organization to keep his senior informed on:

(1) any matters on which his senior may be held accountable by those senior to him;

(2) any matters in disagreement or likely to cause controversy within or between any units of the corporation;

(3) matters requiring advice by the senior or his coordination with other units; and

(4) any matter involving recommendations for change in, or variance from, established policies.

Committee and staff organization influence the pattern of communication among executives. Committees create supplementary tasks in the communication chain and provide additional means for the dissemination of information. They may facilitate communication through the development of executive contact patterns that might not otherwise arise. For example, executives with different scalar ranks often feel more inclined to communicate with one another because a degree of equality is implied by membership on the same committee.
Staff and functional relationships represent additional elements in the hierarchical communication system. Although staff executives cannot directly transmit orders or commands, the possibility if support by superior line executives means that subordinate executives cannot generally ignore staff recommendations and advice.

2.8.5 Monitoring

Managerial activities can be divided into three groups – inter-personal roles which are concerned primarily with inter-personal relationships; informational roles which deal primarily with the transfer of information; and decisional roles which essentially involves decision-making (Mintzberg, 1973). Managers of staff groups tend to emphasize the informational roles. They devote considerable attention to the monitor role to build up their own expertise and spend considerable time in giving advice to members of the organization. The monitor role identifies the manager as receiver and collector of information, enabling him to develop a thorough understanding of his organization and its environment.
2.8.6 Interacting with outsiders.

Evidence from many studies showed that managers spend as much time with people outside their units as well as with their employees. Meeting with parents or community groups often involves explaining new programmes or teaching techniques, hearing complaints or grievances, soliciting support or providing service. Meetings with the public require special consideration and thorough planning. Generally such meetings are kept simple and relatively informal. These characteristics hold the most promise for communicating effectively and for problem solving.

In fostering a sound programme of school-community relations, the principal must become intimately acquainted with the values, expectations, needs and aspirations of the local community. The principal must be skilled in interacting with diverse reference groups in shaping their understanding of school purposes, programmes, operations, costs and outcomes.
The interaction with outsiders is a significant acts because schools are
dependent on the community for financial and programmes support.
School operation grants considerable discretionary power to local
communities. It is necessary therefore, that all the intra-organizational
reference groups concerned with the success of the schools know and
fulfill adequately their roles in intra-organizational relationships.

2.8.6 Socializing

Chapple et al (1961) has performed many studies showing that
individuals have both distinctive and measurable needs for social
interaction. Employees will normally assess the supportiveness and
encouragement of bosses by how they interact. There should be give
and take between them, a balance in the discussion between talking
and listening – in contrast to the words used and the subjects
discussed.

Homans (1950), a social scientist, observed that the degree of
friendship and trust is almost entirely dependent on having them
established through frequent contact. He showed that increased
interaction led to more favourable sentiments (toward one another), which in turn generated a host of new mutual activities. This will provide more interactions and still more favourable sentiments. To accomplish this quantity of interaction, managers must anticipate spending at least from half to three-fourths of their day in talking to others.