

MANAGEMENT FUNCTIONS AND BEHAVIOUR IN HOSPITALITY

Chapter 1: ROLE OF A MANAGER

1.1 Task of a Professional Manager

A professional manager is an individual who is responsible for achieving organizational objectives through the effective and efficient utilization of resources. Their primary task is to *manage*, which involves performing the core functions of **Planning, Organizing, Leading, and Controlling (POLC)**.

Planning: Defining goals, establishing strategy, and developing sub-plans to coordinate activities.

Organizing: Determining what tasks are to be done, who is to do them, how the tasks are to be grouped, who reports to whom, and where decisions are to be made.

Leading: Motivating subordinates, directing others, selecting the most effective communication channels, and resolving conflicts.

Controlling: Monitoring activities to ensure they are being accomplished as planned and correcting any significant deviations.

1.2 Responsibilities of a Professional Manager

Managers fulfill several critical roles in an organization, as famously categorized by Henry Mintzberg:

1. **Interpersonal Roles:** Dealing with people and formal duties.
 - **Figurehead:** Symbolic duties (e.g., greeting visitors).
 - **Leader:** Motivating and directing subordinates.
 - **Liaison:** Maintaining a network of contacts outside the vertical chain of command.
2. **Informational Roles:** Receiving and disseminating information.
 - **Monitor:** Seeking and receiving a wide variety of internal and external information.
 - **Disseminator:** Transmitting information to members of the organization.
 - **Spokesperson:** Transmitting information to outsiders on the organization's plans, performance, and policies.
3. **Decisional Roles:** Making choices and taking action.
 - **Entrepreneur:** Initiating and overseeing new projects to improve performance.
 - **Disturbance Handler:** Taking corrective action in unexpected crises.
 - **Resource Allocator:** Distributing organizational resources (money, time, people).
 - **Negotiator:** Discussing and bargaining with external parties or internal departments.

1.3 Management Systems and Processes

A **management system** is a structured framework for managing an organization's operations, focusing on processes, procedures, and responsibilities to achieve specific objectives.

- **Systems Approach to Management:** Views the organization as a unified, purposeful system composed of interconnected parts (subsystems). The effectiveness of one part is dependent on the others. This approach emphasizes that managers must coordinate the different parts of the organization to achieve the overall goal. The system is either **Open** (interacting with its external environment) or **Closed** (self-contained, which is rare in reality).
- **Key Management Processes:** These are ongoing series of activities that consume resources to produce results.
 - **Strategic Management:** Involves setting long-term goals and determining the best course of action to achieve them.
 - **Operational Management:** Focuses on the efficient execution of day-to-day business activities.
 - **Feedback/Control Loops:** Essential for continuously monitoring performance against standards and adjusting plans or actions as needed.

1.4 Managerial Skills

Robert Katz identified three essential skills required by managers, though the importance of each skill varies depending on the manager's level in the hierarchy.

1. **Technical Skills:** The ability to apply specialized knowledge or expertise. This includes proficiency in processes, procedures, and techniques specific to the job. These skills are most important for **first-line managers**.
2. **Human Skills (Interpersonal):** The ability to work with, understand, and motivate other people, both individually and in groups. This skill is equally important at **all levels of management**.
3. **Conceptual Skills:** The mental ability to analyze and diagnose complex situations. This involves seeing the organization as a whole, understanding the relationships between its parts, and visualizing how the organization fits into its broader environment. These skills are most important for **top managers**.

Chapter 2: DECISION MAKING

2.1 Organisational Context of Decisions

Organizational decisions are made within specific constraints and contexts:

- **Decision Types:**
 - **Programmed Decisions:** Routine, repetitive decisions that follow established procedures or rules (e.g., ordering office supplies).
 - **Non-Programmed Decisions:** Unique, non-recurring decisions that require custom-made solutions (e.g., merging with another company).
- **Conditions of Decision Making:**
 - **Certainty:** The decision-maker knows the outcome of every alternative.
 - **Risk:** The decision-maker can estimate the likelihood of certain outcomes.

- **Uncertainty:** The decision-maker is not sure about the outcomes and cannot even make reasonable probability estimates.
- **Organisational Hierarchy:** Decisions at the top level are typically strategic, non-programmed, and made under uncertainty. Decisions at the lower levels are operational, programmed, and often made under certainty or risk.

2.2 Decision Making Models

1. The Rational Decision-Making Model

This model assumes the decision-maker has complete information, is able to identify all relevant options, and chooses the option with the highest utility. It follows a logical, sequential six-step process.

2. Bounded Rationality Model

This model acknowledges that the human mind has limits (bounded rationality). Managers often make decisions based on simplified models of the world. Instead of *optimizing* (finding the best solution), they **satisfice** (finding the first acceptable solution).

3. Intuitive Decision Making

Intuitive decision making is an unconscious process created from distilled experience. It relies on holistic associations and is fast, often driven by emotion. It is not necessarily irrational; rather, it is *complementary* to rational analysis, especially when time is constrained or data is limited.

2.3 Decision Making: Techniques and Processes

- **Group Decision Making (GDM):** Groups generate more complete information and knowledge, offer more diversity of views, and increase acceptance of the solution. However, GDM is slower, can be dominated by a few members, and may suffer from **Groupthink** (conformity pressure leading to poor decisions).
- **Techniques for Creative GDM:**
 - **Brainstorming:** Encourages the generation of all alternatives without criticism.
 - **Nominal Group Technique (NGT):** Allows for independent idea generation before discussion, reducing the impact of high-status members.
 - **Delphi Technique:** A structured communication technique, originally developed as a systematic, interactive forecasting method which relies on a panel of experts.

2.4 Management by Objectives (MBO)

MBO is a process where managers and employees collaboratively set clear, specific, and mutually agreed-upon objectives. It aims to integrate organizational planning with employee goal-setting.

Key Features of MBO:

1. **Goal Specificity:** Goals must be concrete and measurable.
2. **Participative Decision Making:** Goals are jointly set by the manager and subordinate.
3. **Explicit Time Period:** Goals have a clear deadline.
4. **Performance Feedback:** Regular reviews of progress are provided.

MBO Process Steps:

1. Overall organizational goals are established.
2. Departmental and team goals are set.
3. Individual employee goals are set (collaboratively).
4. Performance reviews are conducted.
5. Rewards are allocated.

Chapter 3: ORGANISATIONAL CLIMATE & CHANGE

3.1 Organisational Structure and Managerial Ethos

- **Organizational Structure:** Defines how job tasks are formally divided, grouped, and coordinated. The structure directly impacts the flow of information and decision-making. (Further detailed in Chapter 4).
- **Organisational Climate:** The shared perceptions organizational members have about the organization and its working environment. It is the "personality" of the organization. Factors influencing climate include:
 - Leadership style (e.g., supportive, directive)
 - Communication effectiveness
 - Reward and recognition systems
 - Degree of psychological safety and openness
- **Managerial Ethos:** The fundamental character, spirit, and beliefs of the management team. A proactive ethos emphasizes innovation and risk-taking, while a reactive ethos emphasizes caution and maintenance of the status quo. The managerial ethos strongly shapes the organizational climate.

3.2 Management of Organisational Conflicts

Conflict is a process that begins when one party perceives that another party has negatively affected, or is about to negatively affect, something that the first party cares about.

- **Types of Conflict:**
 - **Functional (Constructive) Conflict:** Supports the goals of the group and improves performance (e.g., healthy debate on strategy).
 - **Dysfunctional (Destructive) Conflict:** Hinder group performance (e.g., interpersonal personality clashes).
- **Conflict-Handling Intentions (Thomas-Kilmann Model):**
 - **Competing (Win/Lose):** High assertiveness, Low cooperativeness.
 - **Collaborating (Win/Win):** High assertiveness, High cooperativeness.
 - **Avoiding (Lose/Lose):** Low assertiveness, Low cooperativeness.
 - **Accommodating (Lose/Win):** Low assertiveness, High cooperativeness.

- **Compromising (Partial Win/Partial Lose):** Mid-range assertiveness and cooperativeness.

3.3 Managing Change

Organizational change is a process of transitioning an organization from its current state to a desired future state.

- **Sources of Change:**
 - **External Forces:** Market competition, technological innovation, government regulations, economic shifts.
 - **Internal Forces:** New organizational strategy, shifting workforce demographics, changes in management.
- **Resistance to Change:** Change often meets resistance, which can be overcome by:
 - **Education and Communication:** Explaining the rationale for change.
 - **Participation and Involvement:** Allowing those affected to have a say.
 - **Facilitation and Support:** Providing training and counseling.
 - **Negotiation:** Offering incentives for cooperation.
- **Lewin's Three-Step Model of Change:**
 - **Unfreeze:** Preparing the organization for change, recognizing the need to move away from the status quo.
 - **Movement (Change):** Implementing the change itself, providing new skills and practices.
 - **Refreeze:** Stabilizing the organization at the new equilibrium to ensure the change is permanent.

Chapter 4: ORGANISATIONAL STRUCTURE AND PROCESSES

4.1 Organisational Structure and Design

Organizational Design involves developing or changing an organization's structure. Key elements of structure include:

1. **Work Specialization:** Dividing work activities into separate job tasks (division of labor).
2. **Departmentalization:** Grouping jobs together (e.g., functional, product, geographical).
3. **Chain of Command:** The line of authority extending from upper organizational levels to lower levels, clarifying who reports to whom.
4. **Span of Control:** The number of employees a manager can efficiently and effectively manage.
5. **Centralization vs. Decentralization:** The degree to which decision-making is concentrated at a single point (centralization) or pushed down to lower-level employees (decentralization).
6. **Formalization:** The degree to which jobs within the organization are standardized and the extent to which employee behavior is guided by rules and procedures.

4.2 Managerial Communication

Communication is the transfer and understanding of meaning. Effective communication is essential for all managerial functions.

- **Communication Flow:**
 - **Downward:** From a manager to a subordinate (e.g., instructions, feedback).
 - **Upward:** From a subordinate to a manager (e.g., performance reports, suggestions).
 - **Lateral/Horizontal:** Among employees at the same organizational level (e.g., coordination).
- **Barriers to Effective Communication:**
 - **Filtering:** Deliberate manipulation of information to make it appear more favorable to the receiver.
 - **Selective Perception:** Receivers see and hear based on their needs, motivations, experience, and other personal characteristics.
 - **Information Overload:** When the information processing demands exceed the individual's capacity.
 - **Jargon:** Specialized terminology or technical language that is unfamiliar to the receiver.

4.3 Planning Process

Planning is the first and most crucial management function. The process involves:

1. **Defining the Mission and Goals:** Setting the organization's purpose and direction.
2. **Environmental Analysis (SWOT):** Assessing the **S**trengths, **W**eaknesses (internal), **O**pportunities, and **T**hreats (external).
3. **Setting Objectives (Targets):** Establishing specific, measurable, achievable, relevant, and time-bound (SMART) goals.
4. **Developing Action Plans:** Determining the means to achieve the objectives.
5. **Implementation:** Putting the plans into action.
6. **Monitoring and Review:** Tracking progress and adjusting plans as needed.

4.4 Controlling

Controlling is the process of monitoring, comparing, and correcting organizational performance.

The Control Process:

1. **Establishing Standards:** Defining clear performance targets (e.g., sales goal, quality metric).
2. **Measuring Actual Performance:** Collecting data on performance.
3. **Comparing Performance against Standards:** Determining the variation (deviation).
4. **Taking Managerial Action:**
 - *Correcting actual performance* (e.g., training, redesigning tasks).
 - *Revising the standard* (if the standard was unrealistic).
 - *Doing nothing* (if the deviation is acceptable).

4.5 Delegation and Inter-departmental Coordination

- **Delegation:** The process of a manager distributing authority to a subordinate to perform a specific task.
 - **Authority:** The rights inherent in a managerial position to give orders and expect them to be obeyed.
 - **Responsibility:** The obligation to perform assigned duties.
 - **Accountability:** The requirement to justify results. (While authority is delegated, ultimate responsibility and accountability remain with the manager).
- **Inter-departmental Coordination:** The process of integrating the activities of separate departments to achieve overall organizational goals efficiently. Methods include:
 - **Rules and Procedures:** Standardizing processes.
 - **Liaison Roles:** Assigning a person to communicate and coordinate with another department.
 - **Task Forces:** Temporary teams formed to solve a specific inter-departmental problem.

Chapter 5: BEHAVIOURAL DYNAMICS

5.1 Analyzing Interpersonal Relations

Interpersonal relations are the social and psychological interactions between people in the workplace. Understanding these relations is key to effective leadership and management.

- **Transactional Analysis (TA):** A model for understanding behavior and communication. It posits that people interact from three **Ego States**:
 - **Parent:** The state focused on rules, values, and judgments (Critical Parent or Nurturing Parent).
 - **Adult:** The state focused on factual, rational, and logical thinking (objective and data-driven).
 - **Child:** The state focused on feelings, impulses, and spontaneous actions (Free Child or Adapted Child). Effective interpersonal communication often involves "Adult-to-Adult" transactions.
- **Johari Window:** A model used to help people understand their relationship with self and others. It divides personal awareness into four areas (quadrants):
 - **Open/Arena:** Known to self and known to others.
 - **Blind Spot:** Unknown to self, known to others.
 - **Hidden/Facade:** Known to self, unknown to others.
 - **Unknown:** Unknown to self and unknown to others. The goal is to increase the Open Area through feedback and self-disclosure.

5.2 Leadership Styles & Influence Processes

Leadership is the ability to influence a group toward the achievement of a vision or a set of goals.

- **Kurt Lewin's Classic Leadership Styles:**
 1. **Autocratic:** Dictates work methods, limits employee participation, and centralizes decision-making.

2. **Democratic (Participative):** Involves employees in decision-making, delegates authority, and encourages participation.
 3. **Laissez-Faire (Hands-Off):** Gives the group complete freedom to make decisions and complete their work.
- **Ohio State/Michigan Studies:** Focused on two key dimensions of leadership behavior:
 - **Initiating Structure (Task-Oriented):** Defining and structuring the roles of employees in search of goal attainment.
 - **Consideration (Relationship-Oriented):** The extent to which a person is likely to have job relationships characterized by mutual trust and respect for employees' ideas and feelings.
 - **Influence Processes and Power Bases (French & Raven):** The mechanisms leaders use to exert influence.
 - **Coercive Power:** Based on the fear of negative results.
 - **Reward Power:** Based on the ability to distribute valued rewards.
 - **Legitimate Power:** Based on the formal hierarchy and position in the organization.
 - **Expert Power:** Based on specialized knowledge or skills.
 - **Referent Power:** Based on identification with a person who has desirable resources or personal traits (charismatic authority).

5.3 Group Dynamics

Group dynamics refers to the forces operating within a group. A **Group** is two or more individuals, interacting and interdependent, who have come together to achieve particular objectives.

- **Tuckman's Five-Stage Model of Group Development:**
 1. **Forming:** Uncertainty about the group's purpose, structure, and leadership.
 2. **Storming:** Intragroup conflict as members resist constraints and vie for control.
 3. **Norming:** Group develops close relationships and cohesion; clear standards of behavior (norms) emerge.
 4. **Performing:** The group is fully functional and focused on achieving the task.
 5. **Adjourning:** For temporary groups, the stage of wrapping up activities and preparing to disband.
- **Group Cohesion:** The degree to which members are attracted to the group and motivated to stay in it. Highly cohesive groups perform better when their goals are aligned with organizational goals.
- **Group Norms:** Acceptable standards of behavior shared by group members. Norms tell members what they ought and ought not to do in certain circumstances (e.g., performance expectations, dress codes).
- **Status and Roles:** **Status** is a socially defined rank given to groups or group members. **Roles** are a set of expected behavior patterns attributed to someone occupying a given position in a social unit.

Important Questions for full Subject:

Chapter 1: ROLE OF A MANAGER

1. **POLC Framework & Responsibilities:** Define the four core functions of management (POLC). How do these functions relate to Henry Mintzberg's three primary managerial roles (Interpersonal, Informational, Decisional)?

2. **Managerial Skills:** Explain Robert Katz's three essential managerial skills (Technical, Human, Conceptual). Discuss how the relative importance of these skills changes across the three levels of management.

3. **Systems Thinking:** Explain the difference between an Open System and a Closed System view of an organization. Why is the Systems Approach crucial for effective strategic management?

Chapter 2: DECISION MAKING

1. **Decision Context:** Differentiate between Programmed and Non-Programmed decisions. Provide examples of decisions made under conditions of Risk versus Uncertainty.

2. **Rationality in Decision Making:** Compare and contrast the **Rational Decision-Making Model** with the **Bounded Rationality Model**. Why do managers often "satisfice" rather than "optimize" in real-world scenarios?

3. **MBO and Group Dynamics:** Outline the key steps and features of **Management by Objectives (MBO)**. Describe two techniques (e.g., Nominal Group Technique or Delphi) used to enhance creativity and reduce bias in Group Decision Making (GDM).

Chapter 3: ORGANISATIONAL CLIMATE & CHANGE

1. **Climate and Ethos:** Explain the relationship between **Organisational Climate** and **Managerial Ethos**. How can a manager's ethos influence the psychological safety and communication effectiveness within the organization?

2. **Conflict Management:** Describe the five Conflict-Handling Intentions (Thomas-Kilmann Model). Provide a scenario where **Functional Conflict** (collaboration) would be preferable, and one where **Competing** might be necessary.

3. **Managing Change:** Describe **Lewin's Three-Step Model of Change (Unfreeze, Movement, Refreeze)**. What are the major sources of resistance to change, and what strategies can managers use to overcome them?

Chapter 4: ORGANISATIONAL STRUCTURE AND PROCESSES

1. **Structural Elements:** Define and explain the importance of the following three elements of organizational design: **Span of Control**, **Centralization vs. Decentralization**, and **Formalization**.

2. **Communication Barriers:** Identify and explain at least three common **Barriers to Effective Communication** (e.g., Filtering, Selective Perception). What role does **Feedback/Control Loops** play in overcoming communication breakdown?

3. **Managerial Processes:** Detail the relationship between **Planning** and **Controlling**. Explain the three crucial steps in the Control Process, and illustrate the concept of **Delegation** using the terms Authority, Responsibility, and Accountability.

Chapter 5: BEHAVIOURAL DYNAMICS

1. **Interpersonal Analysis:** Briefly explain the core concepts of **Transactional Analysis (TA)**, specifically the three Ego States (Parent, Adult, Child). How can the **Johari Window** be used as a tool to improve team communication and self-awareness?

2. **Leadership and Influence:** Differentiate between the three classic leadership styles defined by Kurt Lewin (Autocratic, Democratic, Laissez-Faire). Provide an example of a situation where a leader would rely on **Referent Power** versus **Expert Power** (French & Raven).

3. **Group Development:** Summarize **Tuckman's Five-Stage Model of Group Development**. Why is the **Storming** phase inevitable, and what key behaviors define the **Norming** and **Performing** stages?