Al- Mustaqbal University College
Chem. Eng. Petr. Ind. Dept.
4th stage

Industrial Management and Ethics

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Lecture 2

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Project Management

Types and classification of management

    (1)   planning and strategizing, (2) organizing, (3) controlling, and (4) leading and developing employees.

//Planning and strategizing

Planning is used by senior managers to develop overall strategies for an organization (**Strategy** is an action that managers take to attain the goals of an organization). Managers plan expenditures every year in a budgeting process. Managers draw up plans for building new factories, opening new offices, implementing new information systems, improving inventory control systems, introducing new products, launching new marketing campaigns, rolling out employee benefits programs, dealing with crises, and so on.

Strategizing is the process of thinking through on a continual basis what strategies an organization should pursue to attain its goals. Strategizing involves being aware of and analyzing what competitors are doing; thinking about how changes in the external environment, such as changes in technology or government regulations, impact the organization; weighing the pros and cons of alternative strategies; anticipating how competitors might respond to these strategies; and choosing a course of action.

// ORGANIZING

Organizing refers to the process of deciding who within an organization will perform what tasks, where decisions will be made, who reports to whom, and how different parts of the organization will coordinate their activities to pursue a common goal. In a business, organizing typically involves dividing the enterprise into subunits based on functional tasks—such as procurement, R&D, production, marketing, sales, customer service, human resources, accounting, and finance—and deciding how much decision-making authority to give each subunit. Organizing is part of planning and strategizing: For example, to implement the decision to expand Starbucks'

operations into online music, Howard Schultz set up a separate unit within Starbucks called Hear Music; placed an executive, Don MacKinnon, in charge of that unit; and gave him the task of rolling out Hear Music in Starbucks' stores across the country. MacKinnon, together with his unit, is thus responsible for implementing the strategy of growing Starbucks' music business.

// CONTROLLING

Controlling is the process of monitoring performance against goals, intervening when goals are not met, and taking corrective action. Controlling is just as important as planning, strategizing, and organizing. Without control systems to verify that performance is hitting goals, an organization can veer off course. Controlling is also linked to planning and strategizing and to organizing. Drafting plans is the first step in controlling an organization. Controlling requires managers to compare performance against the plans to monitor how successful an organization is at implementing a strategy. Thus at Starbucks, Don MacKinnon has been given goals related to the rollout and sales of Hear Music, and his success at implementing the strategy will be assessed by comparing actual performance against the goals. An important aspect of controlling is creating incentives helping to ensure that everyone is pulling in the same direction. An incentive is a factor, monetary or nonmonetary, that motivates individuals to pursue a particular course of action. With the right incentives in place, employees will work productively and control their own behaviour, which reduces the need for close personal supervision and other control methods.

// LEADING AND DEVELOPING EMPLOYEES

Leading is the process of motivating, influencing, and directing others in the organization to work productively in pursuit of organization goals. Leading also require articulating a grand strategic vision for an organization and becoming a tireless advocate for that vision. leading also involves listening to others, learning from them, and empowering them to pursue actions that benefit the organization.

An important aspect of leading is developing employees. Developing employees refers to the task of hiring, training, mentoring, and rewarding employees in an organization, including other managers.

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