

The Executive Function.

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Managers have the authority to manage. Then, why worry about managerial role?

Managerial authority is a means to performance
of the management function.

*"Claims for managerial authority invariably rest
not upon de facto status and power,
but upon an implicit 'job of managing'*

for which authority is the necessary resource." Hales, 1986

Three readings for today:

- Colin P. Hales: What Do Managers Do? A Critical Review of the Evidence. Journal of Mgmt. Studies. 1986.
- Joseph T. Mahoney: The Relevance of Chester Barnard's Teachings ... Intl. J. Of Org. Theory & Behav.). 2002; 5(1&2):159-172.
- Ch-14 of Chester I. Barnard's book "The functions of the executive. Cambridge, MA: Harvard University Press; 1938.

Interpretation of evidence on managerial work

- Managerial authority is a means to performance of the management function.
 - ▶ *"Claims for managerial authority invariably rest not upon de facto status and power, but upon an implicit 'job of managing' for which authority is the necessary resource."*
- Managerial Role (Executive Function) is about what managers are supposed to do.
- Managerial Behavior is what managers actually do.
- Aspects of managerial role, may not be manifest in day to day behavior.
- Study of managerial behavior does not necessarily capture all aspects of the managerial role.
- Assessment of managerial efficiency ought to compare behavior with roles.

Studies Reviewed by CP Hales, 1986.

- Number of Studies: 26
- Study Period: 1940s - 1970s
- Study Subjects: Middle & Senior Managers
- Methods:
 - ▶ Manager diaries,
 - ▶ Manager response to questionnaires,
 - ▶ Interviews,
 - ▶ Participant and Non participant observation,
 - ▶ Review of records, etc.

Five implicit questions about managerial work

- Substantive elements of managerial work (what do managers do?)
- How do managers allocate their time?
- With whom do the managers work?
- What else do they do?
- What qualities does managerial work have?

Insights from the Managerial Behavior Studies.

- Difficult to identify work and behavior that is exclusively managerial. Managerial work is intertwined with other works.
- Managers perform both specialist/technical and general administrative work.
- Part of the managers job is to define and redefine its own boundaries.
- Contents of managerial work is not common across all levels of management or cultures.

Common managerial functions (Hales, 1986):

1. Lead the unit & be the figurehead.
2. Liaison: the formation & maintenance of contacts,
3. Monitoring, filtering & disseminating information,
4. Allocating resources (budgeting, deployment of human resources, allocation of machines and capital resources, etc.)
5. Troubleshooting (handling disturbances) and maintaining work flows,
6. Negotiating,
7. Innovating,
8. Planning, foreseeing and agenda setting.
9. Controlling and directing (briefing subordinates).

Features of Managerial Work.

1. It combines a professional element and a general, 'managerial' element.
2. Liaison, man-management and responsibility for a work process is the core.
3. Variation and surprise about duration of work, source of problems, etc.
4. Much time is spent in day-to-day trouble shooting and ad hoc problems.
5. Much managerial activity consists of asking or persuading others to do things, involving the manager in, usually short, face-to-face verbal communication.
6. Patterns of communication vary in terms of what the communication is about and with whom the communication is made.
7. Little time is spent on any one particular activity and, in particular, on the conscious, systematic formulation of plans. Planning and decision making tend to take place in the course of other activity.
8. Managers spend a lot of time accounting for and explaining what they do, in informal relationships and 'politicking'.
9. Managerial activities are driven by contradictions, cross-pressures and conflicts. Much of it involves coping with and reconciling conflicts.
10. There is considerable choice in terms of what is done and how: part of managerial work is setting the boundaries of and negotiating that work itself.



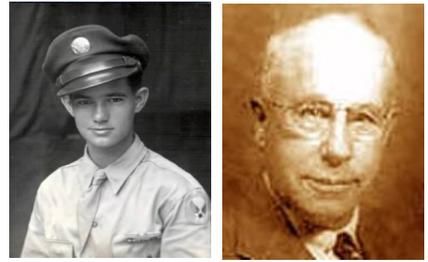
Questions?

Comments.

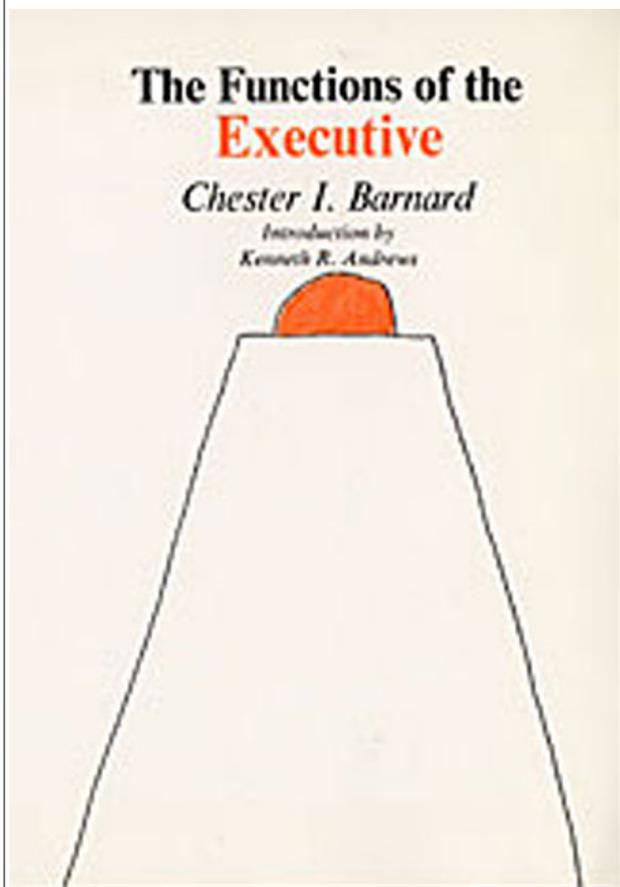
Answers.

Chester Irving Barnard

- November 7, 1886 – June 7, 1961.
- Modest family background.
- American business executive
 - ▶ [Am Telephone & Telegraph (AT&T), New Jersey Bell Tel),
- Public administrator
 - ▶ (Director, New Jersey state relief system during 1930s).
- 1938 book: *The Functions of the Executive*, derives the executive functions from his view of organization as a cooperative system operating within society.



- ▶ Establishing and maintaining a system of communication (Org. structure, incentives, discipline & informal organization);
- ▶ Securing essential services from other members (human resources management);
- ▶ Formulating organizational purposes and objectives (goal



**Excerpts From
IGNOU Video on
Chester Barnard's
The Functions of the
Executive.
Presenter:
Dolly Mathews.**

What is an Organization?

- An organization is a system operating inside the larger society, which is its environment.
- Essential elements of an organization
 - ▶ Common Purpose,
 - ▶ Willingness of People to Serve, and
 - ▶ System of Communication.
- Organization is a cooperative system.
- Incentives & Inducements play an important role. Both monetary and non-economic incentives are important (worker motivation & job satisfaction)

Concept of Authority

- Authority is defined as the character of a superior's communication or order, by virtue of which it is accepted by a subordinate to guide his / her action.
- Two aspects of the definition, namely; (a) subjective acceptance by subordinate, and (b) objective character of the order.
- Objective conditions for acceptance of order.
 - ▶ Understood by the person(s) who has to comply.
 - ▶ Consistent with the organizational purpose, and the subordinates' personal interests.
 - ▶ Mental and Physical capacity of subordinate to comply.
- Zone of indifference (zone of acceptance) within which subordinates accept & comply with orders.

Importance of Informal Organizations

- Personal contacts and interactions among the employees of the organization.
- Informal organization coexists with the formal organization.
- Informal organizations create favorable conditions for prosperity and survival of the organization.
- Formal organizations are vitalized and conditioned by informal organizations.
- There cannot be one without the other.

Functions of the Executive

- Establishing and maintaining a system of communication (Org. structure, incentives, discipline & informal organization);
- Securing essential services from other members (human resources management);
- Formulating organizational purposes and objectives (goal setting, translation by way directions and performance targets).
"Inculcation of belief in the real existence of a common purpose is an essential executive function."

Chester Barnard's Insights -1

- When a condition of honesty and sincerity is recognized to exist, errors of judgment, defects of ability, are sympathetically endured.
- Employees don't ascribe infallibility to leaders or management. What does disturb them is insincerity and
 - ▶ the appearance of insincerity when the facts are not in their possession.
- Hypocrisy is fatal in all personnel work.

Chester Barnard's Insights -2

- Fine art of executive decision consists in;
 - ▶ Avoiding any decision on impertinent questions
 - ▶ Deciding when time is ripe and avoiding premature decisions,
 - ▶ Avoiding decisions that can not be implemented,
 - ▶ Avoiding decisions that others should make.
- *"Responsibility is an emotional condition that gives an individual a sense of acute dissatisfaction because of failure to do what he feels he is morally bound to do, in particular concrete situations."*
- Responsibility is the most important function of the Executive.

Questions?

& Comments

