

KASNEB NEW SYLLABUS

LEADERSHIP AND  
MANAGEMENT  
STUDY TEXT

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## **PAPER NO.13 LEADERSHIP AND MANAGEMENT UNIT DESCRIPTION**

This paper is intended to equip the candidate with knowledge, skills and attitudes that will enable him/her to apply and demonstrate leadership and management skills to grow an enterprise under various circumstances and environments including under uncertainties.

### **LEARNING OUTCOMES**

A candidate who passes this paper should be able to:

- Demonstrate an understanding of leadership techniques and management principles
- Apply knowledge of leadership and management theories in organizations
- Effectively undertake management functions
- Make rational management decisions in an organisational context
- Embrace and manage strategic change.

### **CONTENT**

#### **1. Introduction to management**

- Nature of management
- Importance of management
- Levels of management
- Multi-disciplinary nature of management
- Roles of management as advocated by Henry Mintzberg
- The changing roles of management and managers
- Qualities of an effective manager
- Management and administration

#### **2. Evolution and development of management thought**

- **Classical approaches to management**
  - Taylor's view point
  - Fayol's administrative theory
  - Max Weber's bureaucratic theory
- **Behavioural management approach**
  - Elton Mayo-Human relation theory
  - Abraham Maslow's theory
  - McGregor's X and Y theories

- Mary Parker Follett's Management theory
- **Modern management theories**
  - Quantitative thinking
  - Systems thinking
  - Contingency thinking

### **3. Leading as a function of management**

- Differences between management and leadership
- Attributes and skills of a good leader
- Delegation, responsibility and accountability
- Power, authority and accountability

### **4. Other Functions of management**

#### **Planning function:**

- Introduction to planning
- Importance of planning
- Planning process
- Types of plans
- Approaches to planning

#### **Organising function**

- Meaning and importance of organising
- Factors affecting the organising function
- Process of organising
- Principles of organising
- Organisational structures

#### **Staffing function**

- Meaning and importance of staffing
- Staffing process
- Factors that affect the staffing function
- Components of the staffing function

#### **Controlling function**

- Meaning and importance of control
- Steps in the control process

- Types of control
- Controlling for organisational and employee performance
- Tools for measuring performance
- Essentials of an effective control system

### **5. Environmental Analysis**

- Micro-environment
- Macro-environment
- Internal environment
- External environment
- Tools of environmental analysis

### **6. Leadership approaches and strategy**

- Leadership traits
- Leadership styles
- Leadership skills
- Formulation of an organisation's strategic direction
- Differences between transactional leadership and transformational leadership
- Conflict resolution mechanisms
- Ethics in leadership

### **7. Decision making**

- Importance of decision making
- Decision making models/approaches
- Types of decisions
- Decision making process
- Problem solving skills
- Decision making under different conditions
- Challenges in decision making
- Effective decision making

### **8. Enterprise management**

- Meaning and concept of entrepreneurship
- Intrapreneurship
- Entrepreneurial development
- Enhancing creativity and innovation in organisations

- Methods of generating ideas
- Introduction to business plan
- Protection of intellectual properties

### **9. Project management**

- Project management concepts
- Characteristics of a project
- Importance of projects
- Features of projects and baseline surveys
- Illustration of the Project life cycle
- Project planning and organising
- Project resources and costing
- Project completion and evaluation

### **10. Marketing management**

- Meaning and importance of marketing
- Marketing management orientation/philosophies
- Marketing mix
- Development of marketing information
- Marketing strategies
- Marketing research and intelligence
- International marketing and e-commerce

### **11. Leadership and Strategic Change**

- Meaning of change
- Theories of change
- Types of organisational change
- Managing resistance to change
- Diagnosing the change context
- Levers for strategic change
- Methods of introducing strategic change
- Problems of formal change programmes
- Leading Change

### **12. Case Studies in Leadership and Management Sample reading and reference material**

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## TOPIC 1

### INTRODUCTION TO MANAGEMENT

#### NATURE OF MANAGEMENT

##### Definition of management

**Management** can be defined as the process of *planning, organizing, directing* and *controlling* the resources of an organization in order to achieve its goals efficiently. This definition highlights the following concepts:

- a) **A Process** – Management is seen as a process consisting of four distinct but interrelated activities – planning, organizing, directing and controlling.
- b) **Resources** – Human, financial, physical and information resources
- c) **Efficiency** – Using resources wisely and in a cost effective manner. i.e. doing things right, or getting the most output from the least amount of inputs.
- d) **Effectiveness** – Making right decisions and implementing them. i.e. doing the right things, or completing activities so that organizational goals are attained.
- e) **The Manager** – A person whose primary responsibility is to carry out the management process.
- f) The Efficient manager does things right, and effective manager does the right things.

Other definitions of management are given below:

1. Management is the process of planning, organizing, actuating and controlling an organization's operations in order to achieve a coordination of the human and material resources essential in the effective and the efficient attainment of objectives (*Miner, 1978*).
2. *Stoner (1978)* defines management as the process of planning, organizing, leading and controlling the work of the members of an organization and of using all available organizational resources to reach stated organizational goals.
3. *Griffin (1999)*, defines management as a set of activities (including planning and decision making, organizing, leading and controlling) directed at an organization's resources (human, financial and information) with the aim of achieving organizational goals in an efficient and effective manner.

## Features of management

- 1. Management is complex:** Management involves dealing with a variety of activities and variables. Some of the variables are interrelated while others are heterogeneous. Some management variables are within the control of the entity's management yet other variables are beyond their control. Environmental uncertainty further complicates the management process. The fact that management involves making constant changes to activities, decisions and strategies causes management to be a complex process.
- 2. Management is universal:** Management is practiced in virtually all productive organizations; whether public sector or private sector, profit making or non-profit making, large or small, domestic or multinational enterprise. There are also universal fundamental management principles that are applied in management and in addition managers at all levels perform the same basic functions.
- 3. Management is goal Oriented:** Management is not a random process but purposeful. The process of management is geared towards attainment of specified organizational goals.
- 4. Management is a social process:** A social process refers to forms of social interaction that occur repeatedly. Management is concerned with developing various relationships among people. Management is also done by people, through people and for people. It touches all aspects of human activities
- 5. Management is an integrative process:** Management involves synchronizing individual organizational members' objectives and departmental objectives with those of the rest of the organization, It involves synchronizing the activities of the different units of the enterprise.
- 6. Management is concerned with productivity:** Productivity is a function of efficiency and effectiveness. Efficiency is concerned with using the minimum amount of resources to achieve the desired ends. Effectiveness on the other hand is doing the right thing at the right time and achieving
- 7. Management is a continuous process:** Management is a never-ending process as long as the entity is in existence. All the functions of management are performed continuously.
- 8. Management is Multidisciplinary:** Management draws from a variety of disciplines such as; finance, engineering, sociology, psychology, economics, anthropology and others.
- 9. Management is a Composite process:** Management consists of series of functions which must be performed in a proper sequence. These functions are inter-dependent. As the main functions of management are planning, organizing, staffing, directing and



controlling; organizing cannot be done without doing planning, similarly, directing function cannot be executed without staffing and planning and it is difficult to control the activities of employees without knowing the plan. All the functions inter-dependent on each other that is why management is considered as a composite process of all these functions.

10. **Management is Pervasive:** Management is not confined to one or a few aspects of the organization rather every aspect of an enterprise requires management and is affected by management.
11. **Management is distinct from ownership:** In principles of good governance practices, management is divorced from ownership. For practical reasons all the owners of the organisation for instance a listed company cannot manage the organisation. For this reason, the organisation is entrusted to salaried professionals who manage the organisation to ensure that the goals of the owners are attained.
12. **Management is an Art as well as Science:** Management is both an art and a science. It is an art as it involves application of practical knowledge to solve practical problems. It is a science as it has an organized body of - knowledge which contains certain universal truths and an art as managing requires certain skills which apply more or less in every situation
13. **Management is a dynamic function:** Management is practiced in a dynamic environment that is not static. This implies that constant changes have to be made to align the organization to the changes in the environment.
14. **Management is Intangible:** Management function cannot be physically seen but its presence can be felt. The presence of management can be felt by seeing the orderliness and coordination in the working environment. It is easier to feel the presence of mismanagement as it leads to chaos and confusion in the organization.
15. **Management is Multidimensional:** Management involves a variety of activities which include;
  - a) **Management of tasks:** All organizations are set up to perform some task or goal, Management activities aim at achieving goals or tasks to be accomplished. The task or work depends upon the nature of Business. Management makes sure that work is accomplished effectively and efficiently.
  - b) **Management of people:** People refer to Human resources and Human resources are the most important assets of an organization. An organization can gain competitive advantage through strategic management of human resources (employees)

- c) **Management of operations:** Operations refer to activities in an organization that transform inputs into outputs. Management of operations combines management of tasks with management of human

### THE WORK OF A MANAGER

There are two approaches to the study of the work of a manager;

1. Functional approach (functions of management)
2. Roles approach (managerial roles)

#### Functional approach (functions of management)

In this approach we look at the work of the manager in terms of the functions of management. Managerial functions are the general administrative duties performed by managers in virtually all productive organizations. The functions of management include;

Planning; organizing; staffing; Controlling and Directing, These managerial functions are described briefly in the section below.

1. **The Planning Function:** Planning is the systematic thought that precedes action. It is the process of deciding ahead of time what should be done, how it should be done, who is to do it, when it is to be done and where it will be done. It involves determining in the present what is to be done in the future. Planning involves developing and selecting organization missions and objectives and developing courses of actions to achieve the objectives and ensuring that the courses of action are implemented.
2. **The Organizing Function:** Organising is a process of establishing structures of roles of people in an organization. It involves dividing work into manageable components, assigning people and resources required and coordinating the various activities of organizational members. It involves arranging how the work of the organization will be done and configuring lines of relationship and How of authority.
3. **The Directing Function:** Directing is the process of instructing, guiding, inspiring and influencing organizational members to behave in particular ways in order to achieve the organization goals. Directing function has three key components: leadership, motivation and communication.