



higher education  
& training

Department:  
Higher Education and Training  
REPUBLIC OF SOUTH AFRICA



**GAUTENG**  
Community Education and Training  
**CET COLLEGE**

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## Economics and Management Science: EMSC4 LESSON 13

**Unit Standard: 14001 - Demonstrate an understanding of managerial expertise and administrative capabilities.**

**By the end of the unit you:**

- **Identify and explain an understating of managerial expertise.**
- **different levels of management are discussed**
- **the impact of effective management on business is discussed**

**At the end of the lesson, learners should be able to:**

- Identify and explain managerial task
- Discuss different levels of management
- Discuss the impact of effective management on the business

### **1. MANAGERIAL TASKS ARE EXPLAINED**

**Management** -refers to people who run the business. Management has goals to be realised and in order for them to realise the set goals the goals should be SMART and the marketing P's should be implemented.

**Specific** - clear for a particular reason e.g. money used for advertising.

**Measurable** - able to compare.

**Achievable** - can it be done?

**Realistic** - possible to achieve.

**Time specific** - there should be a starting date and ending date.

Marketing is a process of creating demand for the goods and services that the business sell through advertising, sales promotion, publicity etc. This is achieved by employing 4p's (Product, Price, Promotion, Place)

- **Product** - refers to goods and services that the business is selling
- **Price** - refers to the monetary value that a good or service is sold at.
- **Place** – where will customers find the goods and services?
- **Promotion** - refers to all efforts made to make the customers aware of the existence of goods and services.

### **1.1 THE TASK OF MANAGEMENT INCLUDES PLANNING, LEADING, ORGANISING AND CONTROLLING**

**Planning** - Setting goals and objectives; Designing strategies to achieve these goals; determining the resources needed, e.g. capital, employees, etc. Determining standards of performance.

**Organizing** - allocating resources – budget: purchases, payment of costs, equipment, stationery, salaries. Identifying and describing tasks.

- Effective office management – handling of complaints, credit controller, clerk receiving payments, telephone, data capturing, Sales people, Shop management;
- Developing procedures for accomplishing goals- set goals/steps to achieve goals- review the goals and if not achieved then implement corrective steps.

**Leading** - being able to influence other people to work so that a common goal can be achieved.

- to create a vision for others to follow, establishing common values and ethics
- Transforming the way the organization does business so that it is more effective and efficient.
- It is the art of influencing people so that they work harder to achieve the goals and objectives of the business; Giving people tasks; explaining schedules, procedures and routines;

- Explaining the policies of the business so that all branches do things the same way.
- Providing feedback on the performance of divisions, machinery.

**Controlling** - comparing the results/performances against the objectives of the enterprise e.g. Target for July sales is R15 000 but only R9 000 sold. The manager must now check if all personnel did all that was expected of them. Taking corrective or disciplinary action.

## 2. DIFFERENT LEVELS OF MANAGEMENT

Level	Decision making	Decision makers
Top	<b>Strategic:</b> Long-term planning 5 years or more	Board of directors/Owners
Middle	<b>Tactical:</b> Monthly, weekly, daily planning, Put strategic plan into action.	Departmental managers
Low	<b>Operating:</b> Daily checking, overseeing, controlling	Supervisors, Foreman

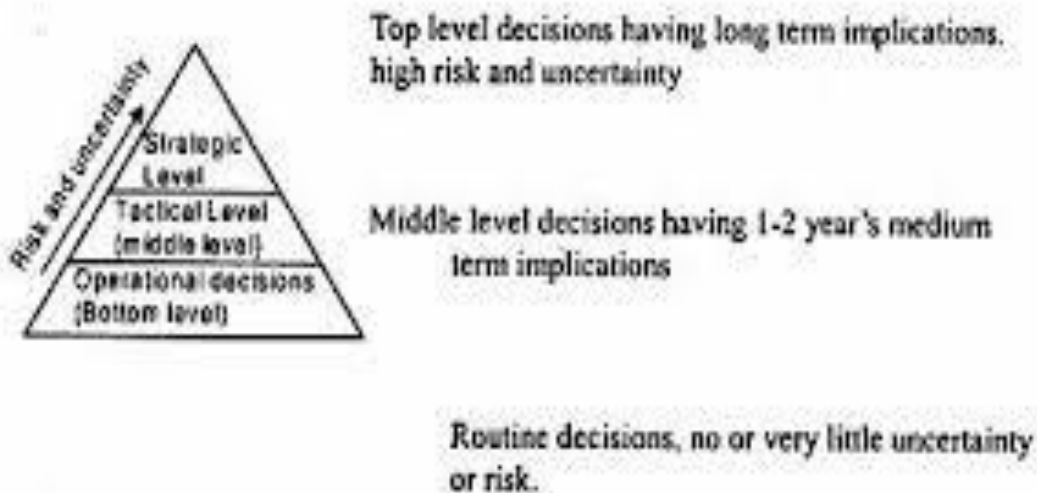


Fig. 1.4. Relative Frequency of Decisions at Different levels

### **3. THE IMPACT OF DECISION MAKING ON THE BUSINESS**

#### **Effective motivation could achieve the following:**

- It seems to be fair to all and all would accept it.
- Motivation strategy would be flexible enough and takes exceptional circumstances into account; it covers all employees; it is harmonious with the political and economic climate.

#### **Ways in which managers can motivate employees:**

- Pay packages\_ – satisfied workers give of their best (at least a minimum wage).
- Incentive pay schemes- those who do more than expected are rewarded.
- More money\_ this will increase productivity and leads to an increase in profits.
- Working conditions must be good, the job standard must be set, free and friendly atmosphere at work. Workers must be free to talk about grievances or things that make him or her unhappy.
- Develop among them a spirit of working together as a team. The motto in the workplace must be: together we stand, separate as individuals we fall; Make workers feel good (proud) about their jobs.
- Job rotation - doing the same job may become boring, when they change to a new job it makes them concentrate more again
- Job enlargement- when someone has mastered the skills of the one job more responsibilities can then be added- keep them from becoming bored; Workers should be well informed about their careers (jobs) and personal welfare. If everything concerning their working conditions, pay and leave benefits are clear to them they should be a well –satisfied work force.

## Activity

MR Chabalala is the CEO of NHI PTY and he is managing 30 employees. MR Chabalala always instructs his employees on how to do the job, regardless of the experience that the employee has. He doesn't consider anyone's opinion.

1. Name the management level in the case study and motivate your answer. (3)
2. Name any 2 marketing P's (2)
3. Discuss 3 ways that a manager can use to motivate his/her employees (6)
4. Give 4 management tasks. (4)

**Total (15)**