

Unit 3 – Management Skills | H1 Notes

Communication

Communication is the transfer of information from one person to another.

What to Consider When Choosing the Form of Communication

- Costs – do you need to pay bills, stamps etc.?
- Medium – can the sender get this communication? E.g. sending an email to someone who doesn't check emails is ineffective.
- Privacy – is the message private or can it be said over the phone?
- Urgency – is the message urgent or can the recipient wait for a letter to come in the post?
- Record – do you need to keep a record of the communication?

Channels of Communication

- Upwards – employee to employer.
- Downwards – employer to employee
- Horizontal – from people on the same level eg manager to manager.

Barriers to Communication

- Wrong language used/ inappropriate language.
- Distrust in the business.
- Wrong medium chosen.
- Failure to listen.
- Lack of feedback.
- Too many channels of communication.

Types of Communication.

Communication can be verbal or spoken e.g. a telephone call or a meeting, written e.g. a letter or an email or visual e.g. infographics.

Internal Communication.

People communicate inside the business. They use verbal methods such as meetings and phone calls, written correspondence such as emails, reports, notice boards and letters and electronic methods such as emails or Intranet. Intranet involves using a Local Area Network (LAN) where the desktop of every employee is linked so that they can communicate freely with each other.

External Communication.

People from within the business communicate with people from outside of the business. They do this verbally by means of a telephone call, meeting or press conference, written with an email, advertisement or a fax and electronically via the internet and by using Electronic Data Interchange. This is a method used between suppliers and customers and automatically allows communication between the two. It is often abbreviated to EDI. It is used a lot by Dunnes Stores and Coca Cola to automatically reorder stock when stocks get low.

Types of Meeting

- AGM – Annual General Meeting. It must happen each year by law and is a meeting of all shareholders.
- Formal – a meeting held between employees in the business and has a previously set agenda.
- Informal – an unplanned meeting between employees.
- Ad hoc – a sudden meeting that usually only happens once for the issue involved.
- EGM – Extraordinary General Meeting. Happens when there is an issue that is need to be addressed by all shareholders but cannot wait until the AGM.

Duties of the Chairperson

The chairperson presides over the meeting. They prepare the agenda and ensure that there is enough people present at the meeting (quorum). They can use a special vote called a casting vote if there is a tie in a decision. They establish order and encourage everyone to participate.

Duties of the Secretary

The secretary helps to prepare the agenda. They keep a note of all important points made during the meeting and send this to the participants (minutes of the meeting). They read and reply to all correspondence regarding the meeting and sends out the notice for the meeting. They also keep a record of the present members and keeps record of previous meetings and their minutes.

A Notice

A notice is used to inform people of an upcoming meeting. Here is an example of a notice of a business meeting.

The Annual General Meeting of O'Hare Components will take place in the Shelbourne Hotel, Dublin on June 1st, 2017 at 2.30pm.

Agenda:

- Minutes of last AGM.
- Election of Directors.
- Chairperson's report.
- Financial review.
- A.O.B

Thomas Bennett, Company Secretary.

Example of a Memo

To: All Staff

From: Aoife McKinney, Managing Director

Date: 19th July 2017

Re: Shorter Working Hours

All employees are being given the opportunity to reduce their working hours from 40 hours per week to 30 hours per week in order to spend more time with their family. This will have no effect on your hourly wage, which will remain the same. This will be in effect from September onwards.

Aoife McKinney

Letter Structure

A letter should include the following (in this order).

1. The address of the sender.
2. The address of the recipient.
3. Date.
4. Salutation (Dear _____).
5. Re: _____
6. Body of message.
7. Closing salutation.
8. Signature.
9. Name and title.

Report Structure

1. Title.
2. Prepared for.
3. Prepared by.
4. Date.
5. Terms of Reference (purpose of report).
6. Introduction.
7. Main body.
8. Conclusion/Recommendations.
9. Signature.

Uses of ICT in Business

ICT is used for many reasons in businesses. Most businesses use Microsoft Word to make letters, invoices etc. Some have online databases where they store all of their company records including stock and customer lists. Spreadsheets are used to show financial records and budgets which can be automatically updated by the computer as the data changes. The Internet is very beneficial to businesses as it gives them a place to sell and advertise while also helping them to gain information about other businesses. Many large businesses use a system often referred to as 'cloud computing' which allows their documents to be shared with other people within the business.

The Data Protection Act (1998, 2003)

Rights of Data Subjects:

- Right to access their own information.
- Right to compensation for misuse of data.
- Right to correct errors in information.
- Right to complain to the Data Protection Commissioner when a breach occurs.
- Right to be removed from direct marketing.

Role of Data Protection Commissioner

- Provides data subjects with information.
- Holds a list of data controllers.
- Investigates complaints.
- Develops codes of practices for businesses.

Leadership

Leadership is the ability to influence other people to work towards a common goal. A leader will delegate tasks to their subordinates in order to empower other employees but also reduce their own personal workload. This allows them to prioritise their tasks and ensure that they are doing the most important ones.

Autocratic Leaders

These are leaders who are very controlling. They have little trust in their staff and do not promote intrapreneurship. They use fear as a motivator and do not allow staff to make any decisions. They often 'micro manage' their employees and do not give them any responsibility. An example of an autocratic leader is Adolf Hitler.

Benefits:

- Quicker decision making.

Drawbacks:

- No intrapreneurship.
- Employees do not feel valued.
- Bad industrial relations.
- Manager has a high workload.
- Employees rely on manager.

Democratic Leaders

These leaders are leaders who trust their employees. They like to empower them and promote intrapreneurship. They seek opinions and advice of their employees also. An example of a democratic leader is Bill Gates.

Benefits:

- Employees feel valued.
- Better industrial relations.
- Intrapreneurship is possible.
- Tasks delegated.

Drawbacks:

- Slower decision making.
- Hard to make everyone happy.
- Room for failure and mistakes.

Laissez-Faire Leaders

These leaders have a 'hands-off' approach to the workplace. They are extremely motivating and have a huge degree of trust in their employees. They act as facilitators rather than managers. They set targets and allow employees to achieve them whatever way they want. An example of a laissez-faire leader is Richard Branson of Virgin.

Benefits:

- Employees feel valued.
- Better industrial relations.
- Intrapreneurship is always happening.
- Tasks delegated.
- Employees become multi-skilled.
- Less reliant on managers.

Drawbacks:

- Slower decision making.
- Some employees could clash with each other in terms of how the tasks should be handled.
- Room for failure – can lead to money loss.

Motivation

Motivation involves persuading people to act a certain way in order to achieve goals. A good motivator will be able to make people believe that they are the one who wants to achieve the goal. There are two theories of motivation; McGregor's Theory X and Theory Y, and Maslow's Hierarchy of Needs.

McGregor's Theory X and Theory Y

Douglas McGregor believed that there were two types of manager – a Theory X and a Theory Y.

Theory X – Intimidators

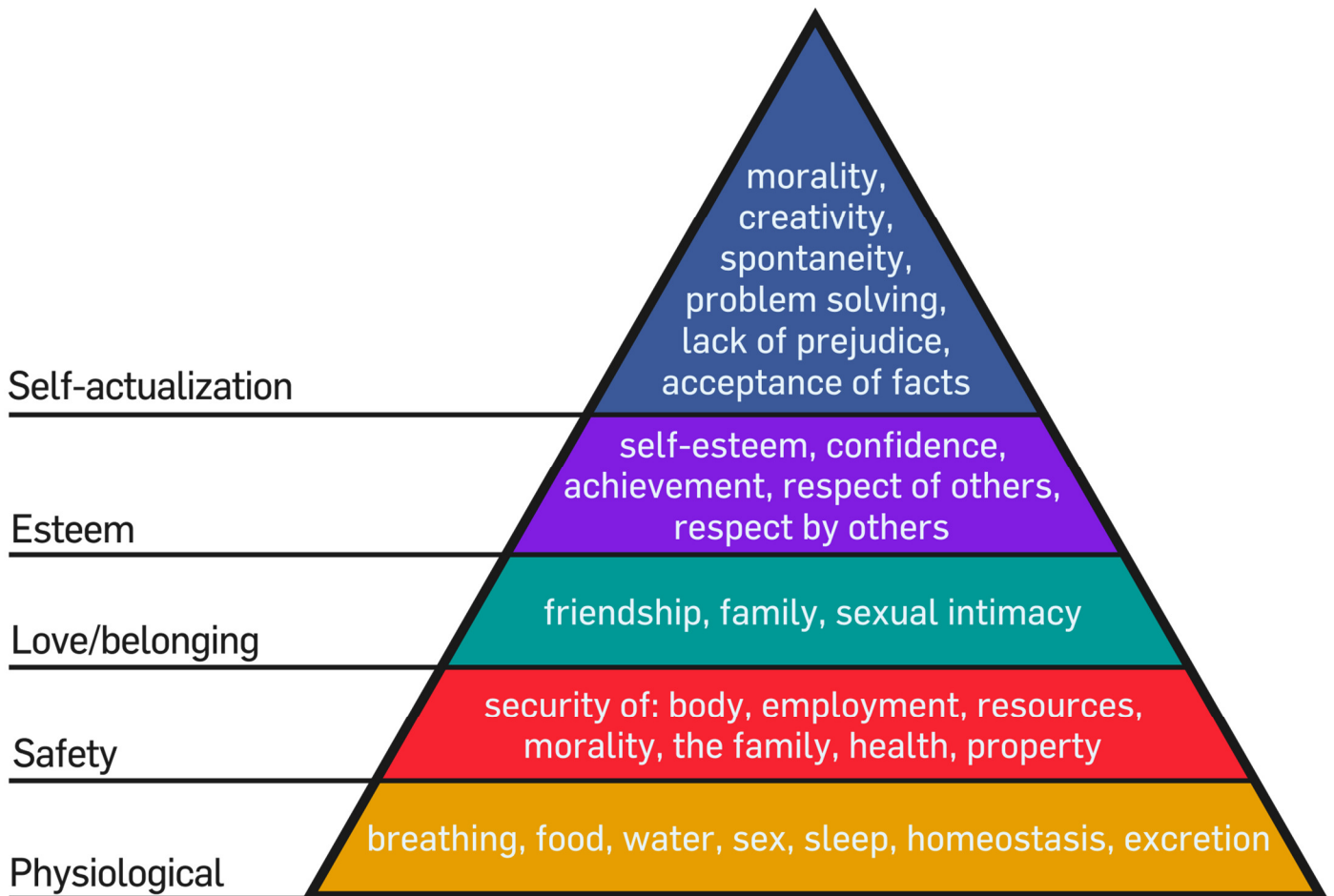
- Theory X managers are resistant to change.
- They rely on fear to motivate.
- They believe workers are lazy and do not want to work.
- They are authoritarian and have tight control.

Theory Y – Facilitators

- Theory Y managers believe that workers can enjoy work when it is interesting and challenging.
- They motivate their employees through this.
- They are empowering and give responsibility.
- They are also of the belief that employees can be trusted.

Maslow's Hierarchy of Needs

Abraham Maslow created a pyramid that showed how people try to satisfy themselves in life. He said that managers could use this to motivate their employees to work. The most basic needs are at the bottom, with the higher and more philosophical needs closer to the top. He said that in order to progress in the pyramid, one must fulfil each need in order.



By using this hierarchy, managers can seek to motivate their employees by seeing which level they are on and fulfilling that need for them with rewards.

