

MM402

Comparative Management

SELF-LEARNING COURSE MANUAL

Version 1.0

**Centre for Distance Learning
MAUTECH
Yola, Adamawa**



Comparative Management

MM402



Modibbo Adama University of Technology
Open and Distance Learning Course Development Series

2016 Academic Collective.

All rights reserved. No part of this publication may be reproduced, stored in a retrieval system, or transmitted in any form or by any means, electronic, mechanical, photocopying, recording or otherwise, without the prior permission of the copyright owner – Academic Collective.

Instructional design & development by



www.edutechportal.org



Institution:
Centre for Distance Learning,
Modibbo Adamawa University of Technology,
Yola, Adamawa State, Nigeria
Tel: +234(8035617757)
E-mail: mail@cdl.mautech.edu.ng
Website: www.cdl.mautech.edu.ng

Course Development Team

The Academic Collective wishes to thank those below for their contribution to the Special Edition of this Course Manual (Modibbo Adama University of Technology).

Prof Abdullahi Liman Tukur

Editor-in-Chief

Prof. Francis Egbokhare

Consulting Editor

Folajimi Olambo Fakoya

Production Editor & Learning Technologist

Dr Ibrahim Danjuma

Content Editor

Dr. James N. Obi

Osade Edo-Osagie

Julius P. Eyanuku

Osabiya Babatunde

Content Attributions

Oluwafemi Falode O.

Adaptation & Instructional Designer

Moriatu Vivien Bello-Osagie

Language Editor

Credits

All illustrations (photos and charts) used are sourced from www.edutechportal.org/resources except otherwise indicated. Credits / source are properly placed by the image.

Contents

Course Development Team	4
Credits	4
About this Course Manual	1

How this Course Manual is structured	1
--	---

Course overview **3**

Welcome to Comparative Management MM402	3
Comparative Management MM402 — is this course for you?	3
Course outcomes	4
Study Skills	4
Timeframe	4
Need help?	5
Academic Support	5
Assessments	5
List of Figures	6
List of Tables	6

Study Session 1 **9**

Comparative Approach to Management and Administration	9
Introduction	9
1.1 Management and Administration	10
1.2 What is an Organization?	13
Session Review	15
Assessment	16
Resources	16

Study Session 2 **17**

Theories of Comparative Management	17
Introduction	17
2.1 The Universalistic Theory Of Management	18
2.2 The Particularistic Theory of Management	19
Session Review	20
Assessment	20
Resources	20

Study Session 3 **21**

Natural Cultures and Management	21
Introduction	21
3.1 Emic Versus Etic	22

3.2 Levels of Cultural Analysis	25
Session Review	26
Assessment	27
Resources.....	27

Study Session 4 **29**

Global Work Classification and Functional Specialization	29
Introduction	29
4.1 Global Work Classification.....	30
4.2 Functional Specialization.....	31
Session Review	34
Assessment	34
Resources.....	34

Study Session 5 **35**

Intellectual Management	35
Introduction	35
5.1 Intercultural Management.....	36
Session Review	38
Assessment	38
Resources.....	39

Study Session 6 **40**

Management Skills.....	40
Introduction	40
6.1 Management Skills In The Public Sector.....	41
6.2 Private Sector And Management.....	44
Session Review	51
Assessment	51
Resources.....	51

Study Session 7 **52**

Organizational Structures	52
Introduction	52
7.1 What is Organizational Structure?.....	53
7.2 Problems within an Organizational Structure.....	55
Session Review	56
Assessment	56
Resources.....	56

Study Session 8 **57**

Human Resources Management Model.....	57
Introduction	57
8.1 Human Resource System Component.....	58
8.2 Strategy Formulation and Strategy Execution.....	58

Session Review	59
Assessment	60
Resources.....	60

Study Session 9 **61**

Public Corporation in Nigeria and Management Consulting	61
Introduction	61
9.1 History of Public Corporations in Nigeria	63
9.2 Management Consulting	65
9.3 Managerial Discretion In Public Corporations.....	68
Session Review	72
Assessment	73
Resources.....	73

Study Session 10 **74**

The Civil Service	74
Introduction	74
10.1 Definition Of Civil Service	75
10.2 The Civil Servant As Interchangeable Experts	81
Session Review	82
Assessment	82
Resources.....	82

Study Session 11 **83**

Globalization of Economic Activities	83
Introduction	83
11.1 Meaning Of Globalization	84
11.2 The Strategic Role of Cultures	86
Session Review	89
Assessment	89
Resources.....	89

Study Session 12 **90**

ICT and Organizations	90
Introduction	90
12.1 ICT Effect in Management.....	91

Session Review	92
Assessment	92
Resources.....	92

Feedback to SAQ Items	93
------------------------------	-----------

Glossary of Terms	99
--------------------------	-----------

References	104
-------------------	------------

Appendix Section	Error! Bookmark not defined.
-------------------------	------------------------------

Linked Articles.....	Error! Bookmark not defined.
Study Skills	Error! Bookmark not defined.

About this Course Manual

Comparative Management MM402 is provided to you by MAUTECH-CDL, AS IS. Module is localised and adapted to ODL format under the Academic Collective.

How this Course Manual is structured

Course overview

The course overview gives you a general introduction to the course. Information contained in the course overview will help you determine:

- If the course is suitable for you.
- What you can expect from the course.
- How much time you will need to invest to complete the course.
- Where to get help.
- Course assessments.

We strongly recommend that you read the overview *carefully* before starting your study.

The course content

The course is broken down into Study Sessions. Each Study Session comprises:

- An introduction to the Study Session content.
- Learning outcomes.
- Study Session preview.
- New terminology.
- Structured content of the study session with a variety of focus articles, learning activities and learning devices.
- Study Session review.
- Self Assessments.
- Resources for further studying.

Your comments

After completing Comparative Management we would appreciate it if you would take a few moments to give us your feedback on any aspect of this course. Your feedback might include comments on:

- Course content and structure.
- Course reading materials and resources.
- Course assessments.
- Course duration.

Your constructive feedback will help us to improve and enhance this course. You can forward your comments to feedback.mautech@edutechportal.org

Course overview

Welcome to Comparative Management MM402

This course introduces you to the subject of comparative management and management practices in different cultural settings. The course contains core concepts in comparative management, such as, understanding the difference between universalistic and particularistic theories, evaluating then use and usefulness of contingency theory, assessing the explanatory role of culture, comparative approach to management and administration, theories of comparative management and administration, human resources management practices by organizations in different cultural settings.

This course manual supplements and complements a blend of resources & platforms:

MM402 Audiobook – available via Audio Resources Library app on your official mobile device and accessible online at: www.arlibrary.cdl.mautech.edu.ng.

MM402 Courseware – available in your course pack as a disk, it is also downloadable from your course website: www.cdl.mautech.edu.ng/schoolboard.

Schoolboard –offers a multi-channel platform for you to discuss with content experts and other learners from across the nation and the globe at large. You may also use the platform to enrich your learning with engaging webinars, articulate presentations, smart puzzles, audiobooks, podcasts, interactive gloassaries, smart quizzes, case studies and discussions. Schoolboard comes with updates and is accessible on web and on app. It is also linkable from your course CD.

Comparative Management MM402 — is this course for you?

MM402 is a **2** unit course.

Reading comprehension skill will be helpful in understanding this course.

Course outcomes

Upon completion of Comparative Management MM402, you will be able to:

- compare approach to management and administration
- analyse theories of comparative management and administration
- describe Human resources management across different cultural background
- point out recruitment and selection methods in organizations operating in different countries
- discuss Nigerian professionals and research in comparative management and administration
- explain constraints imposed on managerial discretion in public corporations

Study Skills

Being a self-learner has become increasingly feasible due to Open and Distance Learning (ODL) Systems. Studying a course or obtaining a certificate for career advancement can occur from the comfort of your home, on your own time, and at your own pace.

You can be a successful higher education student by self learning, it isn't magic! But it does require desire, dedication and a lot of work. Active listening to your audiobook, desktop publishing on your laptops, reading comprehension in your course manual, notetaking in the white margins, stress management, time management, assessment taking, and memorization are study skills required for a self learner.

If you really want to learn how to become a successful student, then you should explore the links that follow:

- <http://www.oercommons.org/courses/communication-skills-study-skills-pdf/view>
- <http://www.edutechportal.org/resources/studyskills>

Timeframe



This is a 15 week course. It requires a formal study time of 12 hours. We recommend you take an average of one to two hours for an extra personal study on each Study Session. You can also benefit from online discussions with your course tutor.

Need help?

You may contact via any of the following channels for information, learning resources and library services.

CDL Student Support Desk

Tel: (+234) 703 355 2537

Email: support@cdl.mautech.edu.ng

For technical issues (computer problems, web access, and etcetera), please visit:

www.cdl.mautech.edu.ng/support; or send mail to support@cdl.mautech.edu.ng.

Academic Support

A course facilitator is commissioned for this course. You have also been assigned an academic tutor to provide learning support. See contacts of your course facilitator and academic advisor at the course website:

www.cdl.mautech.edu.ng/schoolboard

Assessments

Generally, there are two types of assessment: formative assessment and summative assessment. With regards to your formative assessment, there are three basic forms of assessment in the course: in-text questions (SELF-CHECKs), self assessment questions (SAQs), and tutor marked assessment (TMAs). This manual provides you with SELF-CHECKs and SAQs. Feedbacks to the SELF-CHECKs are placed immediately after the questions, while the feedbacks to SAQs are at the rear of manual.

You will receive your TMAs as assignments at the MAUTECH schoolboard platform. Some of your TMAs will be graded and will constitute 30 percent of your course marks. Feedbacks to TMAs will be provided by your tutor in not more than 2 weeks after entries.

Your summative assessment is your final examination. MM402 exam is in **multiple choice / essay** format; and it carries 70 percent of your total earning in the course.

Schedule dates for submitting assignments and engaging in course activities is available on the course website.

List of Figures

Figure 1.1 Globe 9
Figure 3.1 Sculptor 21

List of Tables

No table of contents entries found.

Study Session 1

Comparative Approach to Management and Administration



Figure 1.1 Globe (<https://openclipart.org/detail/233143/united-globe>)

INTRODUCTION

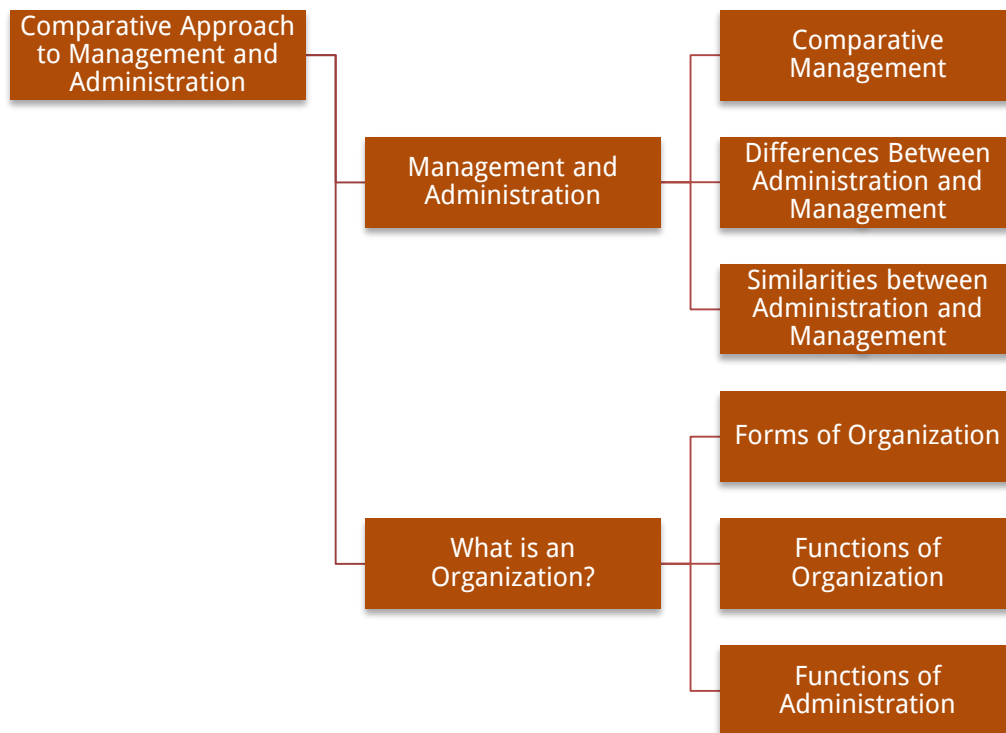
In this study session, you will be discussing the comparative management, which is the field of inquiry that focuses on differences in management and organization between countries. You will examine the differences and similarities between management and administration. Furthermore, you will make attempt at explaining what an organization is. This you will do by highlighting the different forms of organization; organization of materials, human resources, ideas and principle.

Learning Outcomes

When you have studied this session, you should be able to:

- 1.1 *compare* management and administration
- 1.2 *explain* organization

Session Preview



Study Session Duration

This Study Session requires a one hour of formal study time. You may spend an additional two hours for revision.

Terminologies

Comparative management	The study and analysis of how management differs in various environments.
Management	Consists of the interlocking functions of creating corporate policy and organizing, planning, controlling, and directing an organization's resources in order to achieve the objectives of that policy.
Administration	The arrangements and tasks needed to control the operation of a plan or organization.
Organization	An organized group of people with a particular purpose, such as a business or government department.

1.1 MANAGEMENT AND ADMINISTRATION

Comparative management can be defined as the area of study dealing with differences and similarities of managerial systems and management practices in

Comparative management

Analyzes the extent to which management principles are applicable from one country to another.

Management

The organization and coordination of the activities of a business in order to achieve defined objectives.

different cultural settings. It requires an understanding of the complexity and diversity of environmental variables and their impact on institutions.

Management, on the other hand, is the process of achieving organizational goals by engaging in the four basic functions of management, namely, planning, organizing, leading and controlling (Martins, 2006). This definition recognizes that management is an on-going process and activities aim at achieving set goals and objectives. Richard Daft (1999) saw management as the attainment of organizational goals in an effective and efficient manner through planning, organizing and controlling organizational resources.

1.1.1 COMPARATIVE MANAGEMENT

Comparative management analyses the extent to which management principles are applicable from one country to another. It focuses on the similarities and differences among business and management systems from different contexts. Comparative management theories identified are:

1. Socio- Economic approach
2. Ecological approach
3. Behavioural approach
4. Eclectic empirical approach

Importance of Comparative Management

Comparative management analyses the extent to which management principles are applicable from one country to another. Since the leader in the development of management principles is the United States, comparative management seeks to determine the applicability of American know-how to foreign locales. Although the concept of comparative management evolved in the late sixties, it continues to be the subject of considerable debate.

In other words, the universality of management science allows it to be transferred from one locale to another. Management is universal because it is critical to the successful operation of an organization. The "universalist" school of management theory believes that certain management principles are fundamental and can be transferred to any organized form of human activity. In contrast to the Universalists are those who believe that management practice is culture bound. By now, there is sufficient awareness of the usefulness of studying management and organization in an international context. Also, the use of comparison to aid explanation and to enhance understanding of social phenomena has always been recognized as a valuable tool of social scientific research and hence as an end in itself.

For at least the last twenty years, the literature has yielded diverse positions on the transferability of modern management principles into different cultures. A review of the research shows that most cross-cultural studies are actually cross-national studies which means comparing socio-cultural, political, and economic systems and not just culture.

"Comparative International Management" provides the reader with a broad coverage of comparative international management topics focusing on a number of key issues, such as differences in management styles, organizational structures, corporate governance,

production systems, corporate strategy, labour relations, and human resource issues in different countries. In doing so, the text uses a cultural-institutional explanation to clearly highlight the reasons why countries differ, allowing the reader to appreciate the importance of management in international and globalizing economies.

1.1.2 DIFFERENCES BETWEEN ADMINISTRATION AND MANAGEMENT

Administration

The act or process of administering, especially the management of a government or large institution.

Administration is being granted enough conceptual clarification in this unit. The obvious thing is that many people have attempted to look at the two concepts (administration and management) as the same. However, Harry (2005) believe strongly that administration and management are not synonymous. The word management is often used in the place of administration but some differences still exist. The above observation is in consonance with the scientific thought in the field which sees a dichotomy between administration and management. Furthermore, it has been stressed that the term administration is used in the process of public sector administration, while management is used to describe the processes in private sector administration.

In addition, it is believed that management is dynamic and business-oriented while administration is static, emphasizing the maintenance of the status quo and non-innovation. This distinction may look acceptable but the globalization of political and management systems have rendered the differences insignificant. The realities emerging from these polemics is that, administration is seen as part of management and management as part of administration. The controversy surrounding this dichotomy between management and administration was as a result of the translation of Fayol's book titled 'administration' from French to English (1929) where management was introduced to replace administration.

Tip

Scholars like Gullick and Herbert Simon share the view that management is part of administration. To them management is one of the actions in administration. In their words, management activity unites controls and coordinates all other activities of a group towards the achievement of the set objectives.

1.1.3 SIMILARITIES BETWEEN ADMINISTRATION AND MANAGEMENT

The following are the areas where administration and management are seen as similar:

1. Administration and management are distinctive academic discipline, art and science of pursuing knowledge.
2. Both concepts are used in modern organizations. They embrace organizational activities such as organizing, coordinating, budgeting, evaluating other organizational activities for the achievement of the set goals.
3. Management and administration take place in every area of human endeavour. They aim at meeting individual and organizational goals.

4. Management and administration represent global phenomenon, cutting across cultural boundaries. They remain the buzz words in human interaction in the world of work and business.
5. Administration and management enhances how far both human and material resources are channelled for purposive enterprise. They enable organizations to effectively and efficiently organize and utilize their resources for productive activities.
6. They are directed towards the enhancement and attainment of goals and objectives of individuals and organizations.

SELF-CHECK

Question

- _____ is believed to be dynamic and business-oriented while _____ is static, emphasizing the maintenance of the status quo and non-innovation.

Feedback

- It is believed that management is dynamic and business-oriented while administration is static, emphasizing the maintenance of the status quo and non-innovation.

1.2 WHAT IS AN ORGANIZATION?

Organization

An entity comprising multiple people, such as an institution or an association, that has a collective goal and is linked to an external environment.

Organization is the fundamental task in every administration. Organization is the machine for getting things done. It is chiefly concerned with provisions, arrangements, and mobilization of manpower which enables the administration to vary out its obligations (Sidhu, 2006). Organization refers to the complex pattern of communication and relationships in a group of human beings. This pattern provides each member of the group much of the information and many of the assumptions, goals, and attitudes that enter into decision making. It also provides them with a set of stable and comprehensive expectations as to what the other members of the group are doing and how they will react to decisions made. This definition is slightly different from that of Sears (2002) who refers organization as a machine for doing the required work. It may be composed of persons, materials, ideas concepts, symbols, rules, principles or more often than not, a combination of this machine can work automatically. Its operation may be subject to human judgment and will. Professor Stead (2006), stated that organization is an agency by which we achieve our goals. Based on the above statement, we can say that organization stands for a structure, framework, system, organized body, a set of collection, concerned with the process of regulations and facilitating work.

1.2.1 FORMS OF ORGANIZATION

Organization can take the form of organization of materials, organization of human resources, and organization of ideas and principles as discussed below:

Organization of materials

This encapsulates organization of building, campus, grounds and accommodation. This implies arrangement of each physical facility in such a way that each item can be most efficiently used and no wastage takes place. Equipment will be proportional to the number of people to be served.

Organization of Human Resources

This involves organization of human factors, board of management and workers. It is organization and mobilization of all the persons who are legally or legitimately concerned and interested in a firm. This includes each member contributing his best in the common activity and collective responsibility. Organizational members have to participate in the activity in conformity with planned purpose and well thought out procedure.

Organization of Ideas and Principles

We can also organize our ideas and principles. This embraces the art of cementing desirable ideas and principles, such as, norms of achievement, rules and regulations, policy formulation, and administration, and working out of innovations and institutional programmes for improvements and reforms.

Therefore, organization deals with making systematic arrangements so that the purposes of the entire system are achieved. Good organization ensures unity of action, efficiency, economy, optimum utilization of resources, well-being and satisfaction for all, and good results for collective goals. Without proper organization, there would be confusion, chaos, and haphazard activity resulting into wastage of time, effort and resources.

SELF-CHECK

Question

- Provisions, arrangements, and mobilization of manpower which enables the administration to vary out its obligation is the main concern of _____.

Feedback

- Organization is primarily concerned with provisions, arrangements, and mobilization of manpower which enables the administration to vary out its obligations

1.2.2 FUNCTIONS OF ORGANIZATION

The following are some of the functions of organization:

1. Organization is the administrative expression of the theory of administration.
2. Organization stands for, an organized body or system, or structure, or framework for human undertakings.
3. Organization is concerned with the provision of materials, human equipment, regulations, forms and facilities of work.

4. Organization provides a machine or set of machines for doing some work.
5. Organization provides resources. Organization is that agency by which we achieve the desired objective.
6. Organization defines and determines functions, programmes, and activities.
7. Good organization ensures unity of efforts, efficiency, goodwill, and proper use of resources.

1.2.3 FUNCTIONS OF ADMINISTRATION

Functions of administration include the following:

1. Coordinate all activities designed to make an organization to function effectively.
2. Administration stands for running, handling, conducting, controlling and organizing.
3. Administration is the process of integrating these efforts of personnel and of utilizing appropriate materials to draw maximum benefit from available facilities.
4. Administration deals with the functioning and operation of the machines at the set up stage.
5. Administration deals with the functioning and operations and management of resources.
6. Administration arises out of organizational schemes, programme, and practices.
7. Administration is basically concerned with the efficient execution of programmes and activities.
8. Good administration ensures proper planning, direction, and evaluation.

Session Review

1.1 compare management and administration

Comparative management is the area of study dealing with differences and similarities of managerial systems and management practices in different cultural settings. This area requires an understanding of the complexity and diversity of environmental variables and their impact on institutions.

Management is looked at as being dynamic and business-oriented while administration is static, emphasizing the maintenance of the status quo and non-innovation. This distinction may look acceptable but the globalization of political and management systems have made this distinction irrelevant.

1.2 explain organization

Organization is the fundamental task in every administration. Organization is the machine for getting things done. It is chiefly concerned with provisions, arrangements, and mobilization of manpower which enables the administration to vary out its obligations. Organization can take the form of organization of materials, organization of human resources, and organization of ideas and principles.

Assessment

SAQ 1.1 (tests Learning Outcome 1.1)

If Management is the process of achieving organizational goals by engaging in the four basic functions of management; namely, planning, organizing, leading and controlling, what is comparative management?

SAQ 1.2 (tests Learning Outcome 1.2)

Organization can take the form of organization of materials, organization of human resources, and organization of ideas and principles. Discuss.

Resources

Articulate Presentation

This is a complimentary resource to facilitate the quick delivery of this session. It is available in your course pack (Schoolboard disc / online page), and also linked here.

Schoolboard

Access your schoolboard app, or visit www.schoolboard.edutechportal.org/introductiontomicroeconomics to access updated online activities and resources related to the units of this Study Session.

Study Session 2

Theories of Comparative Management

INTRODUCTION

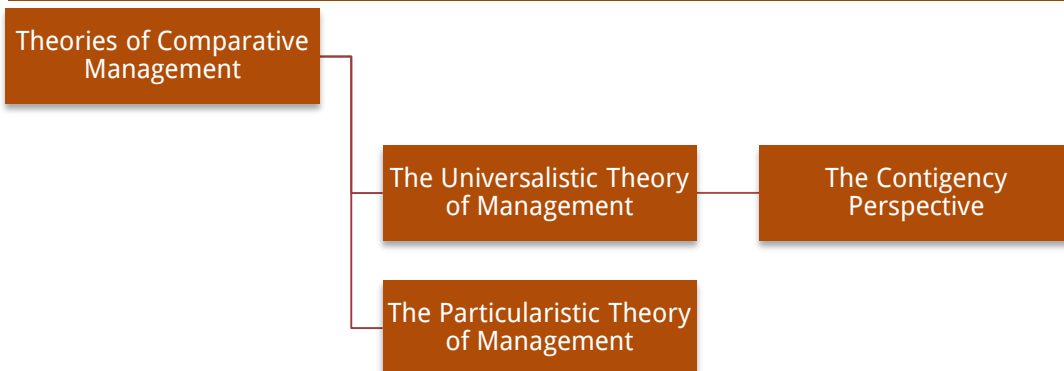
In this study session, you will be discussing the two basic principles of comparative management. In doing so, you will examine the universalistic theory of management which believes in a universal law. Likewise, you will look at the particularistic theory of management which believe in cross national differences.

Learning Outcomes

When you have studied this session, you should be able to:

- 2.1 *describe* the universalistic theory of management
- 2.2 *explain* the particularistic theory of management

Session Preview



Study Session Duration

This Study Session requires a one hour of formal study time. You may spend an additional two hours for revision.

Terminologies

Universalist theory

Believes that certain management principles are fundamental and can be transferred to any organized form of human activity.

Globalization

The process by which businesses or other organizations develop international influence or start operating on an international scale.

Contingency approach

A management theory that suggests the most appropriate style of management is dependent on the context of the situation and that adopting a single, rigid style is inefficient in the long term.

Particularistic theory

States that, in management, the cross-national differences will continue.

2.1 THE UNIVERSALISTIC THEORY OF MANAGEMENT

Universalistic theory

Claims that the phenomena of management and organization are subject to the same universal laws everywhere in the world.

Globalization

A process of interaction and integration among the people, companies, and governments of different nations, a process driven by international trade and investment and aided by information technology.

The universalistic theory of management claims that the phenomena of management and organization are subject to the same universal laws everywhere in the world. An example is the positive relationship between the size of an organization and its degree of internal differentiation, which has been found in many studies. **Universalistic theory** posits that this relationship is valid everywhere in the world because it is based on fundamental characteristics of human behaviour.

Universalistic theory tends to predict that cross-national differences in management and organization, in so far as they exist, will disappear in the future. A driving force for this homogenization process is **globalization**. As more and more markets become subjected to world-wide competitive pressure, less efficient ways of management and organization will give way to best practices, regardless of the nationality of the company, management or employees. Existing cross-national differences may be seen as temporary disequilibria, which will disappear when obstacles to the free market are removed.

2.1.1 THE CONTINGENCY PERSPECTIVE

The **contingency approach** was developed by the Aston School in the 1960s. Much of the contingency theory research studied organizational structure and for this reason is usually referred to as structural contingency theory. This theory posits that, given similar circumstances, the structure of an organization – that is, the best patterns of control, coordination and communication – can be expected to be very much the same wherever it is located. (Hickson, et al., 1974). The theory further posits that, if they are to be successful, organizations must structure in response to a series of demands or contingencies posed by the scale of operation, usually expressed as size, the technology employed and the environment within which operations take place.

The contingency theory states that the mechanistic structure (hierarchical, centralized, formalized structure) fits a stable environment because a hierarchical approach is efficient for routine operations. Given the routine nature of operations, the management at the upper level of the hierarchy possesses sufficient knowledge and information to make decisions, and this centralized control fosters efficiency.

In contrast, the organic structure (participatory, decentralized, unformalized structure) fits an unstable environment and situations of high task uncertainty. A major source of task uncertainty is innovation, much of which comes from the environment of the organization, such as technological and market changes.

SELF-CHECK**Question**

- Universalistic theory believes that _____.

Feedback

- Universalistic theory posits that the relationship between the size of an organization and its degree of internal differentiation is valid everywhere in the world because it is based on fundamental characteristics of human behaviour.

Strengths of Contingency Theory

The strengths of contingency theory are that the theory is straightforward and the methodology, though complex, is highly standardized. The various dependent and independent variables are operationalized so that they can be quantified and measured in a precise way (i.e. by size or number of employees engaged). These strengths gave the contingency approach considerable influence, and for a long time, it gave the approach advantage over culture, which had remained both theoretically and methodologically unsophisticated.

Weaknesses of the Contingency Theory

The contingency approach, however, also has numerous weak points and blind spots. It has been pointed out that, although, this theory is able to show the consistency and strength of correlation between the two sets of variables – that is, between contingency variables such as size, or technology and the structural features of an organization – it has never provided an adequate explanation for this. Furthermore, the theoretical status of contingencies has remained uncertain. For instance, are they imperatives or do they merely have the force of implications if a certain threshold is crossed? In addition, the contingency approach only elucidates properties of formal structure and neglected informal structure.

2.2 THE PARTICULARISTIC THEORY OF MANAGEMENT

Particularistic theory

States that, in management, the cross-national differences will continue.

The **particularistic theory** of management, on the other hand, predicts that cross-national differences in management and organization will persist. The reason is that management and organization reflect expectations and preferences that differ between countries. This theory strongly believed that organizations and management in different countries can differ fundamentally, and that different explanations are necessary for different countries.

Furthermore, particularistic interpretation of organization and management imply that history matters, as national systems of management and organization are pat-dependent. For instance, the question may be asked whether Japanese management and organization can be truly understood without taking into account Japan's late industrialization

halfway through the nineteenth century, leading to dramatic changes in a society that still bore the characteristics of the feudal era.

Session Review

2.1 describe the universalistic theory of management

The universalistic and particularistic theories tried to explain the basis of differences and similarities in management and organization across different cultural settings. The universalistic theory claims that the phenomena of management and organization are subject to the same universal laws everywhere in the world.

2.2 explain the particularistic theory of management

The particularistic theory of management predicts that cross-national differences in management and organization will persist. The reason is that management and organization reflect expectations and preferences that differ between countries. This theory strongly believed that organizations and management in different countries can differ fundamentally, and that different explanations are necessary for different countries.

Assessment

SAQ 2.1 (tests Learning Outcome 2.1)

The universalistic theory of management believes in a universal law in management and administration all over the world. Explain.

SAQ 2.2 (tests Learning Outcome 2.2)

As against the Universalistic theory, discuss the particularistic theory of management.

Resources

Articulate Presentation

This is a complimentary resource to facilitate the quick delivery of this session. It is available in your course pack (Schoolboard disc / online page), and also linked here.

Schoolboard

Access your schoolboard app, or visit www.schoolboard.edutechportal.org/introductiontomicroeconomics to access updated online activities and resources related to the units of this Study Session.

Study Session 3

Natural Cultures and Management



Figure 3.1 Sculptor (go2net.wordpress.com/2011/10/02/nigerian-culture-day-2011-handicraft-market/)

INTRODUCTION

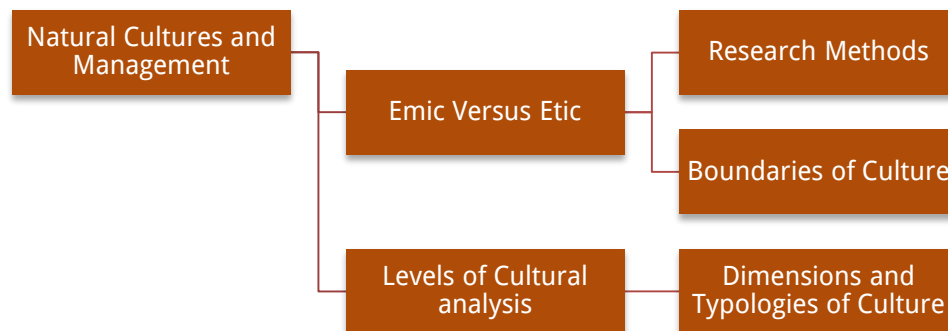
In this study session, you will be examining the relationship between natural cultures and management. In doing so, you will compare and contrast the etic and emic approach of culture. Under this, you will discuss the research methods and boundaries of cultures. Going further, you will evaluate the levels of cultural analysis. And finally, you will describe the dimension and typology of cultures.

Learning Outcomes

When you have studied this session, you should be able to:

- 3.1 *differentiate* between emic and etic
- 3.2 *explain* levels of cultural analysis

Session Preview



Study Session Duration

This Study Session requires a one hour of formal study time. You may spend an additional two hours for revision.

Terminologies

Emic approach	The research participants' words and perspectives are the starting point, and it is an insider, or bottom-up, approach.
Ethic approach	Shifts the focus from local observations, categories, explanations, and interpretations to those of the anthropologist.
Nomothetic theory	Offers an approach based upon the identification and measurement of characteristics through psychometric tests.
Ecological fallacy	A logical fallacy in the interpretation of statistical data where inferences about the nature of individuals are deduced from inference for the group to which those individuals belong.
Reverse ecological fallacy	Occurs when you reach a group conclusion on the basis of exceptional cases.

3.1 EMIC VERSUS ETIC

The comparison of culture assumes that there is something to be compared – that each culture is not so unique that any parallel with another culture is meaningless. Throughout the history of the study of culture, there has been a dispute between those stressing the unique aspects (the emic approach), and those stressing the comparable aspects (**the etic approach**).

The **emic approach** emphasizes the need for understand social systems from the inside and through the definitions of their members. It attempts to analyze the internal coherence of single examples and condemns any attempt at classification across cultures as denying the uniqueness of each culture. Because of this emphasis on the unique features of each culture, the approach can also be characterized as “**idiographic**.”

Etic approach

In the etic method theories, concepts and ideas are studied, and it is an outsider, or top-down approach.

Emic approach

Investigates how local perceive and categorize the world, their rules for behavior, what has meaning for them, and how they imagine and explain things.

Nomothetic theories

Offers an approach to the study of personality based upon the identification and measurement of characteristics.

Pure idiographic research is usually based on qualitative data analysis such as participant observation and interviews. Etic research, in contrast, attempts to establish general laws governing large numbers of examples. It looks at the variances and covariance of variables between cultures. Because of the emphasis on general laws, this approach can be characterized as “**nomothetic**.”

The words ‘etic and ‘emic’ come from linguistics; they are taken from the terms ‘phonetic’ and ‘phonemic’, the distinction between which can be seen as paradigmatic for the major debate within cultural studies. Phonetics is the study of sound and sound changes in human speech. Historically, this branch of science was conceived as a natural science, which tried to uncover the general laws determining human speech sounds. Phonemics, in contrast, is the study of sound units in language that enable speakers to distinguish between meanings. Phonemics differ between languages, and can only be studied within the context of a given language.

SELF-CHECK**Question**

- _____ is concerned with the uniqueness aspect of culture while _____ stresses the comparable aspect of culture.

Feedback

- The emic approach is concerned with the uniqueness of culture while the etic approach stresses the comparable aspect of culture.

3.1.1 RESEARCH METHODS

Although the differences between the etic and the emic approach cannot be reduced to issues of method alone, it is clear that the different forces of the two perspectives do call for divergent research methods and that these different methods in turn further sharpen the differences between the two perspectives. Etic culture research aims to generalize across the boundaries of individual countries. If a researcher wants to identify dimensions in which cultures differ, he or she has to study a sufficient number of different societies in order to be able to verify the general nature of the proposed dimensions. Hofstede, (1980), used factor analysis to identify two of his dimensions. In such an analysis, the unit of analysis is the culture. This means that in order to have a sufficient number of observations, many cultures need to be studied.

In large- scale studies, covering many cultures, it is important that observations from the different cultures studied are comparable. For this reason, the nomothetic-etic approach has a partiality for standardized instruments, in particular standardized questionnaires. In constructing these instruments, one of the main concerns is that the data collected in different societies are indeed comparable. This is the quest for equivalence in etic research. If a particular question is asked of respondents in country A, the same question has to be asked of respondents in country B in order for the answer to be comparable.

Note

Translation into local languages is one aspect of the quest for equivalence. It is standard practice in cross-cultural research to translate a questionnaire into a local language, and then have it translated back into the original language by a different translator. In this way, inconsistencies between the translated and the original instrument can be identified. However, equivalence issues go beyond translation into different languages. Even if the translation is faithful, the question may have quite different connotations from one country to another. An example is one of the questions used by Hofstede (1980): “How long do you think you will continue working for this company?” (Part of the scale measuring uncertainty avoidance). We may expect that it makes a big difference whether this question is asked of respondents in a country like the USA with bountiful alternative employment options, or in a country like, say, Peru, with at the time of the research far fewer comparable employment possibilities; Hence, differences between answers to the question may partly be due to differences in other context factors than the national culture that is targeted.

Idiographic

Relating to the study or discovery of particular scientific facts and processes, as distinct from general laws.

With preference for standardized, equivalent research instruments and large samples, a preference for quantified data becomes inevitable. Quantified data also make it possible to address issues of equivalence post hoc – that is, after the data collection. If we have included in the instrument a number of items that are supposed to measure a particular construct, we can test whether the answers to these items are correlated in the different societies studied. If this is not the case, this is a sign that the items do not measure the construct in question reliably. Items that do not in all countries studied correlate significantly with the other items measuring the construct can then be dropped from the further analysis, and in this way the scale is purified. This procedure would be impossible with qualitative data, of course.

3.1.2 BOUNDARIES OF CULTURES

Another note-worthy problem with cross-cultural research is that the boundaries of the level of analysis cannot always be defined clearly. Within the cross-cultural literature, the dominant approach has been to equate nations with cultures, and thus to study cultures by comparing samples from different countries. However, national boundaries often do not encompass homogenous societies with a shared culture, examples are Canada, which has an English and a French speaking population with different cultural features; Belgium, with a Flemish and French speaking population with different cultural traits. Moreover, the nation-state is essentially a western innovation; elsewhere, example, in Africa, the nation-state is relatively young and hardly corresponds to any sense of cultural homogeneity or identity. It is argued, however, that in nations that have existed for some time, there are strong forces towards integration (Hofstede, 1991). There is usually a single dominant language, educational system, army, political system, shared mass media, markets, services and national symbols. These can produce substantial sharing of basic values among residents of a nation. This is less the case, of course, in nations with sharp divisions between ethnic groups. Most etic research, however, concentrates on the more homogenous societies, avoiding the problem but posing limits on the generalizability of the framework. Emic research, in contrast, has always had a tendency to focus on cultural groups that are not defined by national boundaries.

SELF-CHECK

Question

- Why is the etic approach characterized as nomothetic?

Feedback

- Because of the emphasis on general laws, etic approach can be characterized as “nomothetic.”

3.2 LEVELS OF CULTURAL ANALYSIS

Ecological fallacy

Occurs when you make conclusions about individuals based only on analyses of group data.

Reverse ecological fallacy

Occurs when individual measurements are generalized to a group.

The nomothetic-etic approach presupposes data on a greater number of cultures and tends to proceed from a study of ‘ecological’ correlations. The latter are calculated either from mean values of variables for each society or, in the case of categorical variables, from percentages (Hofstede, 2001). Comparative research with an ideographic-emic concern will express itself in a focus on relations between variables within cultures, followed by a comparison of the patterns found from culture to culture.

Two common areas of confusion in nomothetic-etic studies concerning the levels-of-analysis problem are **the ecological fallacy** and **the reverse ecological fallacy**. The ecological fallacy is committed when conclusions concerning individuals are drawn from higher level data. The reverse ecological fallacy implies that conclusions regarding cultures are drawn from individual-level data. It is committed in the construction of ecological indexes from variables correlated at the individual level. Indexes are, for example, constructed through addition of the scores on two or more questionnaire items. In constructing indexes for the individual level, we ought to make sure that the items correlate across individuals. In constructing indexes for the national level, we ought to make sure that the mean scores correlate across countries. The reverse ecological fallacy in cross-cultural studies occurs when research compares cultures on indexes created for the individual level (Hofstede, 2001). In other words, within-society correlations are used instead of between-society correlations. One reason why the reverse ecological fallacy occurs easily is that studies with data from more than a few societies are rare, and ecological dimensions can be detected clearly only with data from ten or more societies.

SELF-CHECK

Question

- _____ and _____ are the two common areas of confusion in nomothetic-etic studies concerning the levels-of-analysis problems.

Feedback

- Two common areas of confusion in nomothetic-etic studies concerning the levels-of-analysis problem are the ecological fallacy and the reverse ecological fallacy.

3.2.1 DIMENSIONS AND TYPOLOGIES OF CULTURE

Contemporary comparative cross-cultural research is mainly carried out by scholars who lean towards the nomothetic-etic approach, focusing on the ecological level. An essential step in such research is to define the concept of culture. Without definition, culture cannot be operationalized and, without operationalization, it cannot be measured. Measurements are exactly what etic research is all about. For years, research on culture has been hampered by the lack of a widely accepted definition of the concept and until now there has been little agreement on how cultural features are best conceptualized and operationalized in empirical studies. The lack of conceptual and operational consistency in cross-cultural research is expressed most clearly in the fact that different studies have developed different dimensions of national culture.

Dimensions are developed to yield greater cultural understanding and to allow for cross-cultural comparisons. Cross-cultural research focuses on 'values' in order to characterize culture. There are, however, hundreds, perhaps thousands, of values on which societies and other cultural groups could be compared. Some values are relevant in all societies, others are known only in particular societies. Hence, to be able to compare societies effectively, the profusion of cultural values must be organized into a limited number of dimensions. Theorists who address this issue make the assumption that cultural dimensions of values reflect the basic issues or problems that societies must confront in order to regulate human activity.

It is clear, however, that while useful tools in explaining cultural behaviour, dimensions have limitations that we ought to acknowledge. It is obvious that any description of culture in a few dimensions cannot do justice to the complexity of the concept. Moreover, by simplifying the reality of culture into dimensions, we neglect within-country differences, sacrificing completeness. Not surprisingly, dimensions are found to be more beneficial in making comparisons between cultures than in understanding the wide variations of behaviour within a single culture. The existence of so-called cultural paradoxes reveals the limitations in our thinking.

Session Review

3.1 differentiate between emic and etic

In comparing culture, there must be something to be compared – that each culture is not so unique that any parallel with another culture is meaningless. Throughout the history of the study of culture, there has been a dispute between those stressing the unique aspects and those stressing the comparable aspects.

3.2 explain levels of analysis

In cross-cultural research, one big problem is that the boundaries of the level of analysis cannot always be defined clearly. Within the cross-cultural literature, the dominant approach has been to equate nations with cultures, and thus to study cultures by comparing samples from different countries which, most of the time, does not produce reliable results.

Assessment

SAQ 3.1 (tests Learning Outcome 3.1)

If etic research attempts to establish general laws governing large numbers of examples, what is the emic approach?

SAQ 3.2 (tests Learning Outcome 3.2)

Differentiate between ecological fallacy and the reverse ecological fallacy.

Resources

Articulate Presentation

This is a complimentary resource to facilitate the quick delivery of this session. It is available in your course pack (Schoolboard disc / online page), and also linked here.

Schoolboard

Access your schoolboard app, or visit www.schoolboard.edutechportal.org/introductiontomicroeconomics to access updated online activities and resources related to the units of this Study Session.

Study Session 4

Global Work Classification and Functional Specialization

INTRODUCTION

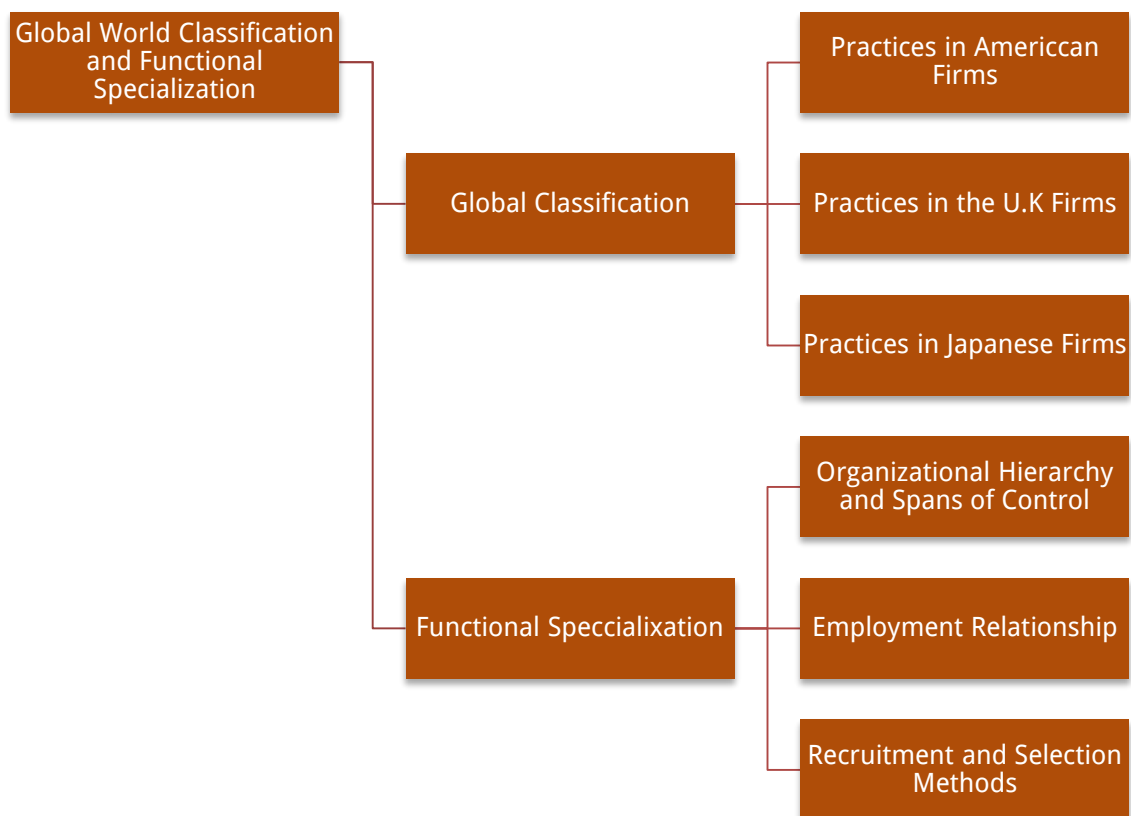
In this study session, you will be discussing the global work classification and functional specialization. In doing this, you will view work classifications in U.S.A., United Kingdom and Japan. You will also be examining the functional specialization. Under this, you will explain the organizational hierarchy and spans of control. In addition, you will describe the employment relationship and the recruitment methods.

Learning Outcomes

When you have studied this session, you should be able to:

- 4.1 *discuss* work classification, design and coordination in different countries
- 4.2 *describe* the functional specialization

Session Preview



Study Session Duration

This Study Session requires a one hour of formal study time. You may spend an additional two hours for revision.

Terminologies

Job design	A core function of human resource management and it is related to the specification of contents, methods and relationship of jobs in order to satisfy technological and organizational requirements as well as the social and personal requirements of the job holder.
Job description	A broad, general, and written statement of a specific job, based on the findings of a job analysis.
Job classification	A system for objectively and accurately defining and evaluating the duties, responsibilities, tasks, and authority level of a job.
Vocational training	Training which aims to equip people with knowledge, know-how, skills and/or competences required in particular occupations or more broadly on the labour market.
Recruitment	The process of finding and hiring the best-qualified candidate (from within or outside of an organization) for a job opening, in a timely and cost effective manner.
Personnel	The methodical process used to hire (or, less commonly, promote) individuals.
Curriculum vitae	A brief account of a person's education, qualifications, and previous occupations, typically sent with a job application.
Psychometric testing	Refers to the process of measuring a candidate's relevant strengths and weaknesses.

4.1 GLOBAL WORK CLASSIFICATION

4.1.1 PRACTICES IN AMERICAN FIRMS

The traditional **job design** practices of large US firms differentiate jobs into hundreds of discrete titles, carry out systematic **job evaluations** to ascertain the scope and depth of job responsibilities, record these in great detail in formal job descriptions, and make them the basis of compensation decisions. One powerful historical force behind the pre-occupation of US firms with formal job design and classification has been the scientific management movement, which, in Taylor's teachings, saw the minute analysis and delineation of job duties, and the elimination of worker discretion as critical elements in the rationalization of production and the transfer of control to management. Another force in the same direction was the emergence of 'job control' unionism in the USA.

Job design

Work arrangement aimed at reducing or overcoming job dissatisfaction and employee alienation arising from repetitive and mechanistic tasks.

Job description

A formal account of an employee's responsibilities.

Job classification

A scheme of classifying a job according to the current responsibilities and duties associated with the job.

4.1.2 PRACTICES IN THE U.K. FIRMS

Similar to the situation in the USA, the UK manufacturing work systems are characterized by many vertically and horizontally specialized hobs, and factories are peopled by low-skilled production workers doing repetitive tasks with little authority. Skilled craft workers in the UK factories have a low division of labour with a high degree of discretion. The crafts create job territories so there is a high degree of hob demarcation among crafts, and between the crafts and the production jobs (Lane, 1989).

4.1.3 PRACTICES IN THE JAPANESE FIRMS

Job classifications are kept simple and broad in Japanese firms, with most factory production workers, for example, falling within a single classification. Job descriptions, if they exist at all, are typically short and couched in vague terms. Detailed job titles, formal job descriptions, and job-related criteria for pay and advancement have been conspicuously absent from Japanese employment practices, whereas job rotation and extensive cross-training are the rule (Lincoln, 1993). Extensive on-the-job training method is used to supplement this process with systematic and codified knowledge about the firm, industry and functions of which employees are in charge. The employee development systems require employees at all levels to acquire experience over time in different aspects of the business.

SELF-CHECK

Question

- In the United Kingdom, factories were peopled by _____.

Feedback

- Low-skilled production workers were used to power factories in the United Kingdom.

4.2 FUNCTIONAL SPECIALIZATION

Vocational training

Training that emphasizes skills and knowledge required for a particular job function or a trade.

Institutional arrangements like management education and **vocational training** have been found to be the most prominent societal influences on the degree of functional specialization. In this sense, generalist management education can be related to functional specialization, while a more specialist management education enhances functional agglomeration. Furthermore, vocational training with more specialization on offer, some of which is specific to a branch of industry or type of work, leads to a more specialist management orientation. At the same time, the degree of functional specialization in a country is strongly related to the career management policies of firms.

4.2 1 ORGANIZATIONAL HIERARCHY AND SPANS OF CONTROL

The contingency theory of organization explains organization structures, that is, the structuring of activities and centralization, largely with reference to the size, technology and task environment of organizations. This approach has been criticized in particular for the fact that it ignores the effect of societal variables. Research that focuses on the interrelationships between the social fields (that is, interaction of people at work, characteristics of jobs, education, training and industrial relations) is able to explain the more detailed differences in organization shape and structure between countries in carefully matched pair comparisons. These differences are played down or ignored by the contingency approach (Maurice et al, 1980).

In the societies that are examined, 'societal effects' research found organizations divided according to task performance into the same categories of employees, arranged in the same hierarchical manner. It seems that a basic division of labour between 'staff' (that is, those doing management tasks) and 'workers' (that is those in lower-level jobs), between those who engage in conceptual work and those who merely execute these plans, and between those who control and those who submit to control, is an indispensable feature of the capitalist enterprise. Further horizontal division of labour developed with the increasing complexity of the capitalist enterprise.

SELF-CHECK

Question

- What is the most prominent societal influence on the degree of functional specialization?

Feedback

- Institutional arrangements have been found to be the most prominent societal influences on the degree of functional specialization.

Recruitment

The overall process of attracting, selecting and appointing suitable candidates for jobs (either permanent or temporary) within an organization.

4.2.2. EMPLOYMENT RELATIONSHIPS

Selecting the best qualified people to fill job vacancies seems to be a universal goal for both human resources and line managers around the world, as a mismatch between jobs and people could dramatically reduce the effectiveness of other human resource functions. **Recruitment** is crucial to an organization in so far as it has important implications for organizational performance. It has therefore to be understood and analysed as a strategic act in all its implications and ramifications. The strategic impact of recruitment is great, since decisions have long-term consequences.

The methodology of **personnel selection** has never been uniform around the world. Moreover, whether a specific personnel selection practice should be adopted universally remains an unresolved issue. However, given the crucial role played by this personnel function, especially in managing a multinational workforce, understanding the

similarities and differences in the existing practices in various nations ought to be the first step taken by human resources managers and researchers.

4.2.3 RECRUITMENT AND SELECTION METHODS

Personnel selection

The methodical placement of individuals into jobs.

Curriculum vitae

A written overview of a person's experience and other qualifications for a job opportunity.

Psychometric tests

Scientific means of identifying and measuring a person's cognitive abilities and behavioral characteristics.

Even in the most democratic organizations, personnel selection criteria are rarely set by a consensus process. More likely, they are the result of trial and error over the years, bound by legal requirements, and subject to many other institutional constraints.

Recruitment practices are complex and difficult to comprehend through the filter of written studies. The diversity of practices is such that the same concepts might cover different realities. For example, what does 'interview' or **curriculum vitae** mean to Ghanaian, Togolese, or Nigerian organizations? Also, the recruitment methods used to hire a manual worker, a technician, a technical manager and a top manager will differ from one organization to another.

The selection criteria standing out as the most commonly used in Nigeria are; personal interview, a person's ability to perform the technical or practical requirements of the job, and proven work experience in a similar job. The Nigerian system prizes a close match between the requirements of a specialized position and the capacities of a specialized person. In most other countries, management does not pay much attention to the issue of recruitment and selection and they do not make use of many of the techniques and procedures available. In recruitment, they continue to place a great deal of reliance on word of mouth. In selection, they place near-total reliance on the application form to pre-select, and also on the interview, supported by references, to make the final decision. Testing and assessment centres, let alone some of the more recent developments such as the use of biodata, are seldom used.

Intensively used recruitment methods in a country like Sweden are references, interview panels, and data and biodata approaches. **Psychometric testing**, aptitude tests and assessment centres are also used, but to a lesser extent. The determination of recruitment and selection policies is decentralized and is done most of the time at site level and not at national level. Line managers are very much involved in the management of recruitment and selection, the human resources department being supportive of line management.

Focus: Recruitment in Germany and Netherlands

Since a large internal labour market operates in Germany and the Netherlands, recruitment mainly takes place at entry-level positions, rendering extensive selection methods less essential. German companies emphasize the application form, interview panel and references as recruitment methods. Recruitment is on the basis of specialist knowledge and experience, especially in technical areas. German companies regard university graduates as good abstract thinkers, but prefer recruiting from among the more practically educated graduates from the senior technical colleges and the MBAs specializing in management because they are considered to be better prepared for jobs.

What are the methods of recruitment that the German company lay emphasis on?

Discussion:

The German companies lay emphasis on the application form, interview panel and references as a method of recruitment.

Session Review

4.1 discuss work classification, design and coordination

This unit discussed various aspects of work structuring, job classification, design and coordination, and functional specialization in different countries in a comparative way. Human resources management, in most countries are influenced essentially by the national education and vocational training system, and by the national system of industrial relationships.

4.2 describe the functional specialization

Equally important, is the relative amount of practical and technical training that is perceived to be part of the formation process, especially at staff levels. This dimension has a countervailing impact on the division of labour.

Assessment

SAQ 4.1 (tests Learning Outcome 4.1)

Compare the work classification in the United Kingdom and Japan.

SAQ 4.2 (tests Learning Outcome 4.2)

Contingency theory of an organization describes the organization's structures. Explain.

Resources

Articulate Presentation

This is a complimentary resource to facilitate the quick delivery of this session. It is available in your course pack (Schoolboard disc / online page), and also linked here.

Schoolboard

Access your schoolboard app, or visit www.schoolboard.edutechportal.org/introductiontomicroeconomics to access updated online activities and resources related to the units of this Study Session.

Study Session 5

Intellectual Management

INTRODUCTION

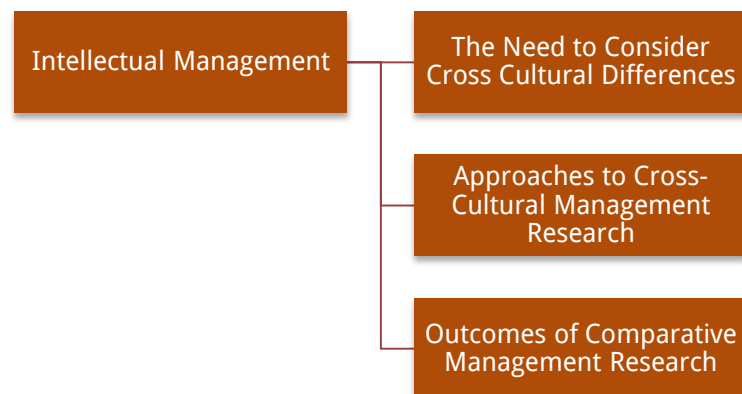
In this study session, you will take a look at what is considered as intellectual management. You will begin by explaining what intellectual management means. Moving on, you will examine the need to consider cross cultural difference and the approaches to cross cultural management research. Finally, you will outline the outcome of comparative management research.

Learning Outcomes

When you have studied this session, you should be able to:

5.1 *describe* intellectual management

Session Preview



Study Session Duration

This Study Session requires a one hour of formal study time. You may spend an additional two hours for revision.

Terminologies

Intercultural management

Involves managing work teams in ways that considers the differences in cultures, practices and preferences of consumers in a global or international business context.

Ethnocentricity

Refers to a belief that your culture or ethnic group is superior to another's.

Polycentric

The view that employees in the host country (the foreign country in which the organization is doing business) know the best work approaches and practices for running their business.

Geometric

People are viewed in the context of how well they can accomplish a particular job or task rather than on the basis of their home country.

5.1 INTERCULTURAL MANAGEMENT

Intercultural management

Learning to manage an international team of individuals with different business culture backgrounds.

Ethnocentrism

Judging another culture solely by the values and standards of one's own culture.

Intercultural management is the combination of knowledge, insights and skills which are necessary for adequately dealing with national and regional cultures and differences between cultures, at the several management levels within and between organisations. (W. Burggraaf)

5.1.1 THE NEED TO CONSIDER CROSS CULTURAL DIFFERENCES

Cultural differences show themselves in all sorts of differing ways. However, it is necessary for us to outline some key aspects in which cultural diversity has been shown to impact on organisational management approaches which are central to the process of managing businesses (from Hodgetts R & Luthans R, 1997). These key aspects are:

1. **Centralized vs. Decentralized decision making.** There is variation across national culture in the extent to which important organizational decisions are made by senior managers, or whether decisions are made down the line with authority devolved.
2. **Safety vs. risk.** In some cultures, managers have a very low tolerance of uncertainty and manage in ways to control this. In others, there is a much greater tolerance of uncertainty and much greater risk-taking.
3. **Individual vs. group rewards.** In some cultures, there is emphasis on rewarding individual achievement. In other cultures the emphasis is on rewarding the group collectively.
4. **Informal vs. formal procedures.** In some cultures, there is considerable use of informal procedures. In others, formal procedures are very important.
5. **High vs. low organizational loyalty.** In some cultures, people identify less with their organization or employer and more with their occupational group or profession.
6. **Co-operation vs. competition.** Some cultures emphasize co-operation in the organization, others foster competition.

SELF-CHECK

Question

- What is intellectual management?

Feedback

- Intercultural management is the combination of knowledge, insights and skills which are necessary for adequately dealing with national and

regional cultures and differences between cultures, at the several management levels within and between organisations.

5.1.2 APPROACHES TO CROSS-CULTURAL MANAGEMENT RESEARCH

Polycentric approach

The international recruitment method wherein the HR recruits the personnel for the international businesses.

Geocentric approach

A method of international recruitment where the HR hire the most suitable person for the job irrespective of their Nationality.

Studies vary in the theoretical and management issues which they address; in their assumptions about universality, in their ways of dealing with similarity and differences and, therefore, in the methodological problems which they must confront. The following are the different approaches to cross-cultural management research:

1. The first most common type of management studies has been, and still is, parochial studies - studies of Nigeria conducted by Nigerians. Assume universality.
2. The second most common type is **ethnocentric studies** - studies which attempt to replicate Nigerian management research in foreign countries.
3. The third is **polycentric** studies - studies which focus on describing the patterns of management and organization in foreign countries. Universality denied. View institutions as only being understandable in terms of their own culture.
4. The fourth type, comparative management studies, attempts to identify aspects of organizations which are similar and aspects which are different in cultures around the world. Tries to distinguish between those aspects of organizational theory which are truly universal and those which are culture specific. Try to define patterns which emerge from all cultures studied. No culture is dominant.
5. The fifth type, **geocentric** studies, focuses on studying organizations which operate in more than one culture. In international business, these studies focus on identifying the similarities among cultures which will allow MNOs to have unified policies for their worldwide operations. Investigate the managing of MNO. Underlying assumption is that there are universally effective approaches to organizing and managing. Trans-cultural meaning beyond culture.
6. The sixth, and to date the least common type of management research, is culturally synergistic studies which emphasize creating universality. Synergistic studies explore cross-cultural interaction and the positive uses of similarities and differences in creating both universal and culturally specific patterns of management. The purpose of synergistic studies is to create trans-cultural structures and processes which can be used around the world while maintaining an appropriate level of cultural specificity. It helps to understand the patterns of relationships and theories which apply when people from more than one culture interact within a work setting-people within multinational and transnational organizations, people on international assignments for domestic organizations, and people in domestic organizations which have cross-cultural employee, supplier, or client populations.

Each of the six types of studies is designed to address a different set of questions and is based on a different set of assumptions. For researchers to successfully build a theoretical framework for understanding the behaviour of people in organizations around the world, and for managers to effectively use the results of cross-cultural management research, it is necessary to differentiate the six types of studies and to

delineate those areas in which further research is needed. There are two main approaches to comparative management are. They are:

1. Socio-economic nature; and
2. Behavioural/psychological nature

5.1.3 OUTCOME OF COMPARATIVE MANAGEMENT RESEARCH

The followings are the results of the research carried out on comparative management:

1. There is no one way of doing things: The principle of equifinality applies to the functioning of social organizations; managers may achieve given objectives through various methods.
2. There is no universal applicability of either authoritarian or participating democratic management styles: In general Nigeria can best be characterized as following democratic-participative style, while Egypt, Uganda and most of the developing countries are authoritarian in their management style. The authoritarian style is not necessarily dysfunctional in developing countries. This perhaps may be the "right type" of leadership.
3. More objective measures are brought to bear in making managerial decisions with respect to compensation, objectives, goal setting, etc.,
4. In the developed countries; subjective judgment (emotions, religious beliefs) often enters the decision making processes in the developing countries.
5. There are similarities and differences among the managers around the world: Similarities are explained in terms of industrialization or the industrial subculture. Differences are explained in terms of cultural variables. The cultural factors are considered the most important influencing variables.

Session Review

5.1 describe intellectual management

Intercultural management is the combination of knowledge, insights and skills which are necessary for adequately dealing with national and regional cultures and differences between cultures. There are many aspects in which cultural diversity has been shown to impact on organisational management approaches which are central to the process of managing businesses.

Assessment

SAQ 5.1 (tests Learning Outcome 5.1)

Highlight some of the outcomes of comparative management approach.

Resources

Articulate Presentation

This is a complimentary resource to facilitate the quick delivery of this session. It is available in your course pack (Schoolboard disc / online page), and also linked here.

Schoolboard

Access your schoolboard app, or visit www.schoolboard.edutechportal.org/introductiontomicroeconomics to access updated online activities and resources related to the units of this Study Session.

Study Session 6

Management Skills

INTRODUCTION

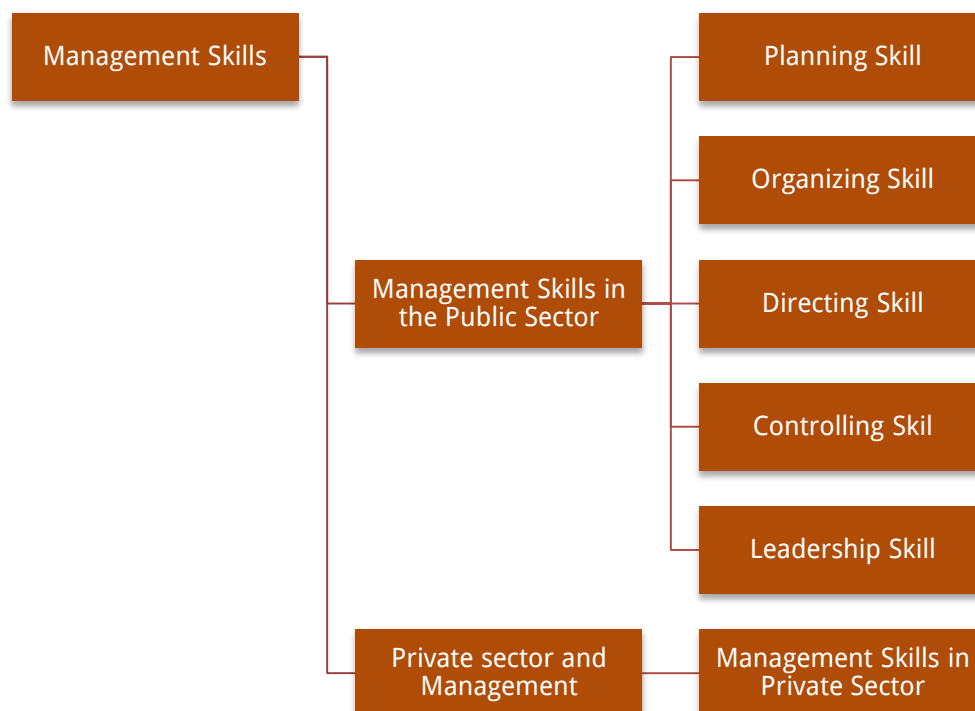
In this study session, you will discuss management skills. You will start by describing the management skill required in the public sector. Under this, you will examine the planning, organizing, directing, and controlling skills. Likewise, you will evaluate the personal management and leadership skills. Moving on, you will discuss the private skills that are required in the private sector. In doing this, you will examine the technical competence, self-awareness, interpersonal and social awareness skills.

Learning Outcomes

When you have studied this session, you should be able to:

- 6.1 *highlight* the management skills required in the public sector
- 6.2 *explain* the management skills needed in private sector

Session Preview



Study Session Duration

This Study Session requires a one hour of formal study time. You may spend an additional two hours for revision.

Terminologies

Public sector	The part of the economy concerned with providing various governmental services.
Planning	A management process, concerned with defining goals for company's future direction and determining on the missions and resources to achieve those targets.
Manager	A person responsible for controlling or administering an organization or group of staff.
Administrator	A person responsible for carrying out the administration of a business or organization.
Leadership skills	An essential component in positioning executives to make thoughtful decisions about their organization's mission and goals, and properly allocate resources to achieve those directives.
Technical skills	The knowledge and abilities needed to accomplish mathematical, engineering, scientific or computer-related duties, as well as other specific tasks relating to technology.
Personal values	People's internal conception of what is good, beneficial, important, useful, beautiful, desirable, constructive, etc.
Cognitive skills	The core skills your brain uses to think, read, learn, remember, reason, and pay attention.
Organizational politics	Informal, unofficial, and sometimes behind-the-scenes efforts to sell ideas, influence an organization, increase power, or achieve other targeted objectives.

6.1 MANAGEMENT SKILLS IN THE PUBLIC SECTOR

Public sector

The part of national economy providing basic goods or services that are either not, or cannot be, provided by the private sector.

The **public sector** managers are presently undergoing a period of change in the economy, which can be seen over the last decade, public spending by the government has been steadily in the rise. This advancement and change present a new set of challenge, leading to managers to contend with the changes brought by the contraction by applying leadership and management skills being developed during the growth in the public sector. The idea of a public sector is being cantered on delivering services to the society irrespective of the financial outcome attached to it. For a public sector administrator, it is significantly important to note that, the skill needed to run the system is similar to that of the private sector, but the key difference is that, the skills are being tailored to different angles and outcome in relation to result.

Planning

A basic management function involving formulation of one or more detailed plans to achieve optimum balance of needs or demands with the available resources.

Manager

The person responsible for planning and directing the work of a group of individuals, monitoring their work, and taking corrective action when necessary.

Administrator

Someone whose job is to control the operation of a business, organization, or plan.

Therefore, it is important for administrator or managers in the public sector of the economy to note that, even though they deal with customers, clients and citizen at large, they are charged with the responsibility of providing services to the society not with the idea of profit making ideology, but with the ideology of providing such service at an affordable rate, good quality, and also to meet up with the end result that's providing the service. The following management skills are considered important for a manager/leader or administrator in a public organization to have in other to drive the organization to achieve its set down goals and objectives:

1. Planning skill
2. Organizing skill
3. Directing skill
4. Conflict Management skills
5. People Management skills
6. Controlling skills

6.1.1 PLANNING SKILL

The aspect of **planning** is considered an important management skill. In a public organization, it is important for the head to be able to plan his/her activities, which would be deemed fit for the success of the organization in the chosen area. This aspect of management skill is the most often overlooked or purposely skipped step in an organization, due to several factors. It is significantly important to note that, while the amount of planning and the detail required will vary from task to task, to skip this task will lead to a sure failure. That's what gives us the adage of the 6 P's of planning (or 7 P's depending on how you count).

6.1.2 ORGANIZING SKILL

In a public sector setting, the manager/ administrator should be able to organize teams, tasks, and projects in other to get the team to work efficiently and to get the work done in the most effective manner. A **manager** must be able to organize teams, tasks, and projects in order to get the team's work done in the most efficient and effective manner. As an **administrator**/leader, one may be organizing a small work team or a project team. These same organizing skills will be required by all new and old administrator of manager in the chosen career when one have to organize a department or a new division of the parastatal. Clearly, there is a lot of overlap between planning the work and in organizing it. Where planning focuses on what needs to be done, organization is more operational and is more focused on how to get the work done best. In organizing the work, leaders need to:

1. Determine the roles needed,
2. Assign tasks to the roles,
3. Determine the best resource (people or equipment) for the role,
4. Obtain the resources and allocate them to the roles, and
5. Assign resources to the roles and delegate authority and responsibility to them.

In essence, even if the manager has assigned a small team or a project to be manage, the manager must be able to organize offices and the data systems.

6.1.3 DIRECTING SKILL

Directing is the action step. Manager have planned and organized the work. Now the manager has to direct its team to get the work done. The manager starts by making sure the goal is clear to everyone on the team. Do they all know what the goal is? Do they all know what their role is in getting the team to the goal? Do they have everything they need (resources, authority, time, etc.) to do their part?

Pull, Don't Push Skills: The manager would be more effective at directing the team toward achieve positive outcome to the society by pulling the team together, rather than push which is sitting back and giving orders.

6.1.4 CONTROLLING SKILL

Some writers try to "soften" this skill by calling it "coordinate". But it is better to call it what it meant to be called which is control, because it is essential that the manager be able to control the team's activities. After the manager must have planned the work, organized the resources to make it happen most efficiently, and directed the team to start work, the next step is for the manager to monitor the work being done.

6.1.5 PERSONAL MANAGEMENT SKILLS

The manager must exhibit the mastery of personal skills in other to be successful in achieving the set goal. There are two areas of personal management skills you must master to be successful as a manager. These two skills are:

1. **Self-Management:** this skill enables the manager to assign work and coach his subordinates to achieve the organizational set goals. As a manager, you know how to motivate and discipline.
2. **Time Management:** As it is said, there is never enough time to do all the things you need to get done. Therefore, as a good manager, you should be skilled in maximizing the use of time.

6.1.6 LEADERSHIP SKILLS

The leadership skill is the ability to lead a group of people or team within an institution to achieve a desired goal. There's a difference between managers and leaders.

Leadership is intangible - a charismatic component that some people have and others simply do not. While management is a career, leadership is a calling. You don't have to be tall, well-spoken and good looking to be a successful leader. You need not have that "special something" to fulfil the leadership role. What you need to have is clearly defined convictions - and, more importantly, the courage of your convictions to see them manifest into reality.

Technical skills

Abilities an individual acquires through practice and learning.

SELF-CHECK**Question**

- Organization is more operational and focuses on the best way to get the work done; while planning focuses on _____.

Feedback

- Where planning focuses on what needs to be done, organization is more operational and is more focused on how to get the work done best.

6.2 PRIVATE SECTOR AND MANAGEMENT

The private sector has proven to be a driving force in the economy of the country. Even though the skills needed to run the private sector may be similar to those needed in the public sector, the aim of running the two sectors are different. The private organization is run with the idea of making profit while the public sector is run with the aim of delivering project to the community.

6.2.1 MANAGEMENT SKILLS IN PRIVATE SECTOR

It is important to note that in a private sector, all managerial skills should be geared towards achieving success in terms of profit making. Therefore, any skill adopted is tailored towards achieving two aims; producing quality product and achieving profit margin for the company. Several skills have been adopted in the present generation to achieve success and organisation-workers relationship to achieve the end result of the stakeholders. Due to the present change in the society brought about by globalization, employees have become enlightened and more demanding within the work place. As a result, this has led to managers developing strategies in handling their subordinate.

Technical Competence

The **technical skills** are an important aspect in the private sector. This type of skill is necessary because management activities are more practical and technical in nature. Management is a practical subject, which aims to have an impact on the real world. Here we are talking about knowledge of product technology, marketing techniques, engineering, accountancy, knowledge of relevant legislation, knowledge of basic management principles and theories which aims to help the practitioner with 'best practice' in planning, organizing and controlling (Pedler et al.2001)

Although all levels of management require a technical base, one of the unique aspects of management is that the further you ascend the hierarchy of management, the less direct use is made of techniques and the more emphasis is placed on the social, cognitive and political skills of managing. A major problem for developers is that managers often get promoted to a high level of authority because of their mastery of technical skills. Although they may be highly professional specialists, they may not have had much

Technical skills

Abilities an individual acquires through practice and learning.

opportunity on the way up to develop their people skills or to gain a broad appreciation of the organization as a whole. Once installed in a generalist role, they often find that performance requires strategic and political skills for which their former experience has not adequately prepared them (Garratt 1994). Typically, these managers find that their technical skills are not as useful but they don't understand how to act their new role. This role's vagueness can cause a lot of anxiety which may be dysfunctional for the organization as a whole. It is tempting for them to emphasize what they know best and act as higher-level technicians with a narrow problem-solving view of their job and interfering in issues which should be left to those at the lower level. This is often the situation for directors in medium-sized private companies who are rarely trained for their role. The beginnings of wisdom in management is often knowing when you are no longer paid to perform a professional-technical role and the job now requires a strategic appreciation and the use of social-political skills to harmonize the parts in the service of a greater whole (Garratt 1994).

Self-Awareness Skill

At the higher levels of management, technical skills are assumed, and effectiveness in management seems very much linked to social and interpersonal skills. Researchers such as Mangham and Pye (1991) and Watson (2001) have tried to give a detailed picture of the micro-processes of management. Mangham concludes that the ability to do executive work requires an awareness of self-interacting with others. What managers do is very much shaped by their own perceptions of their roles, goals, values, feelings, and assessment of personal strengths and weaknesses. To act effectively, the manager needs a well-grounded awareness of the self; the manager needs skills of introspection.

Note

How can anyone manage others unless they have first mastered themselves? The knowledge we have acquired about ourselves, which makes up our self-concept, is central to improving our management skills. Knowing ourselves helps to us understand our own taken-for granted assumptions, our categories for defining situations and people, our sensitivities, strengths and weaknesses. This knowledge is self-empowering. It allows us to capitalize on our talents. It is the first step in making any changes to ourselves, which are needed to develop the skills we think we need. Self-reflection is also important because it helps us make our interactions with others more effective and insightful. By understanding ourselves we become more sensitive to the differences and also the similarities between people; it makes us more empathic and more skillful in our repertoire of behaviours. From this 'self/other' awareness, the manager is in a position to look in on his/her own behaviour from the perspective of others. We come to 'objectivize' ourselves as others see us by internalizing their perceptions. This is what the developers mean by 'managing the self so that we can manage others'. By developing a sense of self in the world which is consistent with how we are seen, we have the self-knowledge to present ourselves well – to use the words and take the actions which will influence others through quiet skills of persuasion and coordination.

There seem to be a number of areas of self-awareness (Whetton and Cameron 2002). However, these following self-understanding factors can enhance management success:

1. **Personal values** – what are the fundamental things you stand for? What are your core values and what would you be prepared to give up if required to compromise? How are your values related to ethical principles?

Personal values

Reflections of our needs, desires, and what we care about most in life.

2. Learning and thinking styles – do you know how you think and learn? Under what conditions are you most creative? What is your preferred learning style? What type of thinker are you? Are you able to take a holistic view of things? Are you a conceptual thinker?
3. Orientation to change – do you feel comfortable in ambiguous situations? How flexible are you in accommodating the unexpected? Are you confident of your ability to handle complexity and diversity?
4. Interpersonal orientation – are you aware of any patterns in how you interact with people, for example, are you open or closed; assertive or retiring; controlling or dependent, etc.? What are the consistencies and do they help or hinder you in achieving what you want?

Note

Becoming self-aware is not easy. We are often resistant to self-knowing because we believe that information will surface which threatens our self-image. We avoid personal growth because we fear finding out that we are not what we want to be.

Interpersonal and social skills

These skills are hard to define but they largely mean working with and through other people and using careful judgment. This method is used by managers to get their subordinate or staffs to actualize and follow their part ways. This process of interpersonal and social skills is used to get your staff to do what you want and this system is usually seen as a manipulative method. They imply sensitivity to people and situations and skill in persuading people to achieve a common goal. A lot of management is watching, sensing and doing readings of others' behaviour. In a sense, managers are doing what we all do in social situations, but they are doing it with purpose and through complex webs of relationships within very diverse role sets (e.g. balancing the often conflicting expectations of customers, suppliers, employees, superiors, etc.). From ideas they have of themselves and their own experience, managers try to infer what is going on in the heads of others. Mangham (1986) talks of this as 'the theatre of the skull'. Managers engage in a form of 'internal dialogue' to decide on the best line of action. This is really a form of 'role taking': that is, it requires social empathy in which they imaginatively and sympathetically put themselves in the minds of others, anticipating their reactions to the flow of events. By accurately modelling others' behaviour and correctly attributing intention we are well placed to act thoughtfully and appropriately. Ethnographers of management (Watson, Hales, etc.) have found that as we interact with others in management we are judging others in terms of their significance for our plans. What are their assumptions? What values guide their management? What do they hope to achieve here? Where do they stand on various issues? Is there a difference between what they claim and what they really want? Through these 'readings', managers develop a sense of the strategy best suited to the circumstances and most likely to allow their agenda to be implemented. The same empathy, feeling and judging are involved in other aspects of the social process. For example, the senior manager needs to have a 'sense of how things are going as a whole'. That means having a 'feel' for how things are interconnected. That is, how a micro-

situation has implications for the strategy as a whole; how changing the technical system will have a 'knock on' effect for the social system.

Note

Researchers such as Wieck (1979, 1995) and Pye (2005) suggest that the essence of leadership is 'sense-making'. This means making sense of organisational behaviour through talk and reflection should be considered as the main factor of leadership in an organisation. How do we make the complex, fragmented, behavioural, social and political processes of managing coherent and give them meaning? This approach attempts to penetrate the constructed world of the manager. How do managers make plausible sense of their experience? How do they construct identity? How do they retrospectively review a number of events and happenings and give them meaning? How do they draw on ideologies and models to define what is happening and what they should do (e.g. scientific management; markets; flexible form organisation, etc.)? This sense making is interactive, is mediated by language and is constantly developing (e.g. Fisher 1996, talks of us assuming different 'managerial stances' in our careers as we slowly change our assumptions about the reality of managing). This may be a productive 'turn' of research which provides insights into how managers make meaning through ideas, constructs, metaphors and images. A sense-making perspective seems particularly useful for explaining how the issues in management remain remarkably similar from one decade to another even though the vocabulary used to define them shifts (e.g. 'managing change' in the 1980s became 'corporate governance' in the millennium; 'empowerment' became 'social capital'; 'innovation' became 'knowledge management'). It is through sense-making and its discourses that the issues of management are reframed with new vocabulary even if the basic processes remain largely timeless.

Thinking skills

Cognitive skills

Brain-based skills we need to carry out any task from the simplest to the most complex.

Cognitive skills are another essential attribute of the effective manager. Managers need the ability to think. That does not mean they have to be original conceptual thinkers, but they do need to have good, clear minds and to be able to see the whole picture. Many managers like to believe that their cognitive skills define them. That is, they are sharp decision makers and smooth problem solvers. Management science models emphasise rigorous thinking and hard strategic analysis. However, all the observational studies of managers agree that in reality management involves a lot of improvising and fudging towards a solution that is good enough in the circumstances. Lindblom (1959) has called this style 'disjointed incrementalism'. Many studies of managers, as decision makers, show that managers typically do not search for the best possible solution to a problem because that would be too time-consuming. Instead they search for a temporary solutions to the problems involved and usually within the boundaries of previous decisions.

Tip

Herbert Simon (1957) Nobel Prize winner for work on decision-making, thinks that 'Managers do not seek the sharpest needle in the haystack, just one that is sharp enough to sew with.'

By and large, managers need to be masters in making decisions which are 'good enough' in the circumstances, rather than masters of fundamental decision-making which addresses the complexity of a situation and the underlying forces involved. This is what we meant earlier by 'muddling with a purpose'. Mintzberg (1976) helps us to

understand management decision-making by drawing a distinction between left brain thinking which he characterizes as linear, ordered, sequential and analytical and right brain thinking which is holistic, synthetic and intuitive. Mintzberg claims that when you look at management decision-making closely it turns out not to be a regular, planned and systematic process. This is true of strategy as well as more operational decision-making. In fact, it seems discontinuous and proceeds in 'fits and starts'. Despite the obsession with measurement, quantification and sophisticated modelling in management, Richard Heller (1995) stresses that most business decision-making involves thinking with incomplete information, 'back of the envelope' calculations and common-sense constructs which we subsume under the label of 'judgment' because we are not fully aware of what is involved. Mintzberg thinks that right brain thinking dominates in management. It is the ability to synthesize bits of information into a whole using robust categories of definition and classification which we have built up from the past. It is the ability to conceptualise and create a picture from pieces of evidence which is most needed in management. Continuing his metaphor of left and right brain thinking, in Mintzberg's view, outstanding managers can think in the right (conceptual) hemisphere and develop a whole picture of the organisation and its future but then programme and carry out plans of action with the left (rationalist) hemisphere.

Thinking styles

McKenny and Keen (1976) have suggested that managers exhibit different cognitive styles. Among the various categories they define are the following.

1. Systematic thinkers – These are the 'methods' people. They define the problem early on in their thinking process, then they search for solutions in a very orderly way. They give a lot of attention to making the implicit explicit and quantifying variables where they can. They are deductive thinkers who try to calculate the consequences of different approaches and choose the line which seems most likely to optimise value.
2. Intuitive thinkers – These managers are particularly sensitive to problem recognition. They are aware that if the problem is wrongly defined, thorough logical analysis will be misdirected and futile. Typically they fend off pressure for an early definition of the problem, instead throwing themselves into the data and thinking inductively, often re- framing issues several times before coming to a final definition. Choosing a plan of action can also be intuitive, based on grasping a general idea and improvising actions which may make it work. Rational search protocols are sometimes used to justify decisions which might be ultimately described as 'instinctual' (although practitioners of this style may prefer 'calculated risk-taking' as a description).
3. Perceptive thinkers – These managers seem to use a thinking style which falls between the two previous extremes. It is essentially a 'mixed scanning' approach which involves building a broad picture of the issues within a context then attending to some 'trigger' factors to focus on certain things in greater depth. Switching alternately between the broad and the detailed they begin to develop explanatory concepts of the relationship between factors which leads to a definition of a problem and the generation of alternative approaches. Standard analytical processes are then often used to choose a final solution.

Other writers on management have suggested a range of typologies to contrast thinking styles, for example, convergent (logical, rational, linear) and divergent (intuitive, expressive, ideational) thinking (Guilford and Hoepfner 1971); romantic and classical thinking; spiral, linear and lateral thinking, etc. There is also the concept of different languages of thinking, for example, spatial, linguistic, mathematical, social thinking (Leavitt and Bahrani 1988). These typifications have their limitations because they seek to capture something fluid and mercurial like thinking with static constructs. However, one consistent finding seems to be that the most effective managers have a broad repertoire of thinking styles, are fluent in various forms of thinking and can adapt their thinking to the needs of the situation. More particularly, they are holistic as well as pragmatic thinkers, they think for themselves, are critically evaluative of orthodoxy, try to learn from experience and avoid the narrow grooves of popular formulae (e.g. 'The One Minute Manager') or the magical appeal of panacea ('excellence', 'business reengineering', etc.).

Creativity

Many managers are faced with the obsession and sticking to the one way method of management and leadership in which they are used too. Despite the obsession of many managers with the 'one right way', with systems and with 'best practice', successful managers value ideas and creativity (Heller 1995). The capacity to think freely and to recognize the value of new idea as it emerges is important cognitive skills for the manager. Creativity is a special form of thinking where reason, sensitivity and judgment come together. It involves gut feeling and calculated risk-taking, having ideas and knowing how to apply them. Creativity in management often means 'going against the grain' and doing something different. Often it involves an entrepreneurial approach to managing which combines innovation with flair (e.g. Anita Roddick or Richard Branson would be celebrated models). The literature on creativity is vast and there are many conflicting views on what it is and how it can be encouraged. However, there is a good deal of consensus (e.g. Adams 1988, Weisberg 1986, etc.) that creative managers have the following qualities:

1. Observant of the processes around them. They give attention to things and are therefore aware of small changes which may be the precursors of new trends.
2. Independent in thought. They avoid thinking in conventional categories and in stereotypes. They try to reason things out for themselves.
3. Interested in the connections between things. They have a synthesizing ability to relate disconnected things together to form new ways of seeing.

SELF-CHECK

Question

- What, according to Mangham (1986), is referred to as "the theatre of the brain"?

Feedback

- Mangham (1986) refers to process by which managers infer what is going on in the heads of other due to their own personal experience as "the

theatre of the skull”.

Organizational skills

The process of using an informal network to gain power and accomplish tasks to meet a person's wants or needs.

Political skills

Finally, successful managers display political skills. Organizations are ultimately political systems. All organizations have limited resources. Groups within the organisation all want a share of these resources to further their projects. This means that bargaining, conflict and the selective mobilization of power are essential to control the process by which the cake is divided. Winners in this organisational game are often those who are politically savvy and know how to make a good case and manage organisational rules in their own favour. As John Hunt (1992) says, senior managers are not in a position to claim that they are above the dirty business of politics. If they don't play the political game then they are abandoning the ground for others to skew the system in their own interests. Organisational politics involves:

1. Senior managers building up their departments by fighting for additional resources and authority
2. Senior managers engaging in debate over the 'meaning' of the strategic plan so that definitions favourable to their interests prevail
3. Conflict between cliques over equipment, space, budgets, staff, etc.
4. Individuals jockeying for position to advance their careers.

Organisational politics is the 'backstage' of the organisation where the empire building, log rolling, careerism, interest group lobbying and patronage relationships take place. The skills which are needed here involves:

1. Diagnostic skills – The best political operators seem to be effective in mapping the political terrain. They have a sense of the distribution of power within an organisation, the perspectives and cultures of different groups, who are the prime movers of events, the agendas of different actors and who has to be won over to build a winning coalition behind an initiative (Hunt 1992, Pfeffer 1981).
2. Tactical skills – Managers with political skill seem to know how to switch between methods of influence. They know how to test the water for a proposal while avoiding a commitment on which it is difficult to renege. They use formal authority sparingly because they know that the overt use of power demonstrates not strength but weakness. They prefer to achieve their objectives through more indirect means. The skills here involve 'fixing' meetings in advance by getting the powerful 'on side' before they go into committee; cutting deals with the most powerful players; engaging in social exchange relationships (e.g. support in return for patronage) to construct critical alliances around core issues; controlling the timing and presentation of issues; using outsiders to legitimate activity; using networks to plant and collect confidential information (Kakabadse 1983).
3. Shaping skills – Sophisticated players seem to be good at shaping the political process so that they can achieve their goals indirectly, through influence and persuasion. Accurately attuned to what is at stake for each of the participants in events, the politician-manager concentrates on areas of common interest to build consensus while subtly moving perceptions so that change becomes possible. This involves the ability to read signals, develop rapport and sell ideas in terms of the other's interests. Language skills are important here. Political managers know how

to manoeuvre to promote sectional advantage while claiming to speak for the organisation as a whole and justifying what is done in terms of the rallying symbol of the 'greater good of the company'. They use language to 'manage attention' and to 'manage meaning' (Bennis and Nanos 1985)

Session Review

6.1 discuss management skills in the public sector

The idea behind management style in this unit is to enhance the understanding of the various management styles used in both private and public sector of the economy. It is important to note the outcome desirable from both the private and public sector. The activities of both sector even though for the private sector is geared towards profitability and public geared towards service delivery, but the bottom line is that both sector are after the satisfaction derived by the end user.

6.2 explain the management skills needed in private sector

Management skills have been seen to be of great important in driving an organization to success. It is important to note that in a private sector any skill adopted by a manager should be driving towards achieving success in respect to profit making and how to manage the organization in other to meet up with the needs of the shareholders.

Assessment

SAQ 6.1 (tests Learning Outcome 6.1)

As a public sector manager, highlight the different managerial skills that are necessary for the smooth running of the organization.

SAQ 6.2 (tests Learning Outcome 6.2)

In the private sector, one of the managerial skills needed is technical competence. Discuss.

Resources

Articulate Presentation

This is a complimentary resource to facilitate the quick delivery of this session. It is available in your course pack (Schoolboard disc / online page), and also linked here.

Schoolboard

Access your schoolboard app, or visit www.schoolboard.edutechportal.org/introductiontomicroeconomics to access updated online activities and resources related to the units of this Study Session.

Study Session 7

Organizational Structures

INTRODUCTION

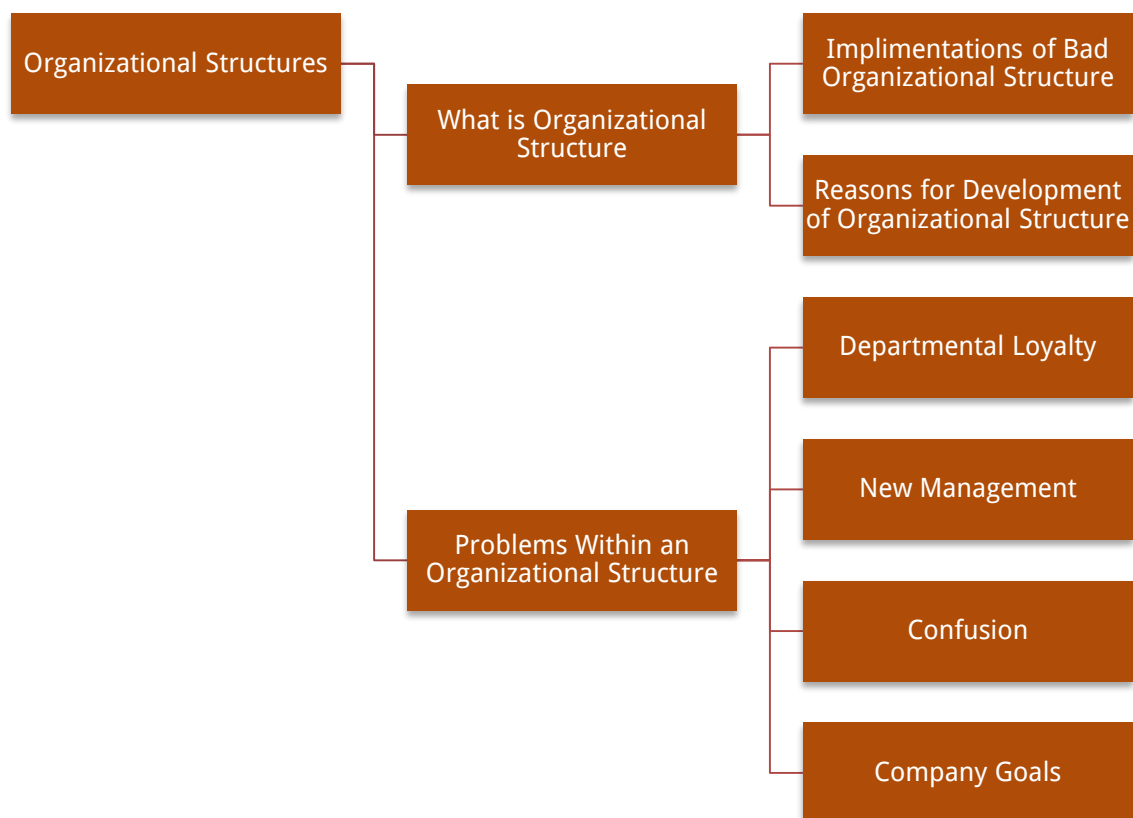
In this study session, you will be discussing organizational structure; which is the framework around which the group is organized. You will begin by highlighting the implications of bad organizational structure. Likewise, you will examine the reasons why it is necessary to develop an organizational structure. In addition, you will discuss the different encountered within an organizational structure.

Learning Outcomes

When you have studied this session, you should be able to:

- 7.1 *explain* organizational structure
- 7.2 *highlight* problems of organizational structure

Session Preview



Study Session Duration

This Study Session requires a one hour of formal study time. You may spend an additional two hours for revision.

Terminologies

Organizational structure	How activities such as task allocation, coordination and supervision are directed toward the achievement of organizational aims.
Employee turnover	Refers to the number or percentage of workers who leave an organization and are replaced by new employees.
Enterprise resource planning	Business process management software that allows an organization to use a system of integrated applications to manage the business and automate many back office functions related to technology, services and human resources.
Effective communication	Verbal speech or other methods of relaying information that get a point across.

7.1 WHAT IS ORGANIZATIONAL STRUCTURE?

Organizational structure

The typically hierarchical arrangement of lines of authority, communications, rights and duties of an organization.

Organizational structure refers to how the management and employees in a business make decisions and perform required tasks. In most small businesses, decisions are made by the founder or owner. This structure is known as a centralized organizational structure. For a business to succeed and grow, there must be a fit between its organizational structure and the industry in which it operates. Evidence of a bad organizational structure includes low productivity, high employee turnover and hiring problems, misalignment between technology and decision-making, and the inability for the business to grow.

7.1.1 IMPLICATIONS OF BAD ORGANIZATIONAL STRUCTURE

The following are the implications of bad organizational structures:

Low Productivity

In agile industries where change occurs rapidly and continuously such as technology, productivity often suffers when the organizational structure of the business remains centralized. Employees cannot respond immediately and make key productivity decisions on their own; they must vet decisions through the hierarchical chain, which takes time. Thus, in the time that it takes to have decisions approved, productivity becomes slow.

Employee turnover

A measurement of how long your employees stay with your company and how often you have to replace them.

Enterprise resource planning

An industry term for the broad set of activities that helps an organization manage its business.

Employee Turnover

An inefficient organizational structure can result in high **employee turnover** and difficulty hiring qualified employees. A business that operates a centralized organizational structure in an industry that must remain fluid and dynamic may have a harder time attracting highly skilled employees. These types of employees may feel their contributions are wasted in a firm where they have no decision-making authority and see fewer opportunities for fulfilment.

Technology

Misalignment can occur between a business's technology and the decision-making hierarchy. According to Raffaella Sadun, an assistant strategy professor in the Harvard Business School, software systems that integrate business functions such as **enterprise resource planning**, better known as ERP, facilitate decentralized decision-making. In a business that operates this type of technology against the backdrop of a centralized organizational structure, employees will actually feel more empowered, and power struggles will likely ensue.

Growth

A bad organizational structure can also inhibit the business from growing. In a dynamic industry prone to rapid change, the founder of the business may not be able to relinquish control to move from a centralized organizational structure to a decentralized one, wherein decision-making power becomes shared among a larger group. Decentralized organizational structures tend to facilitate a competitive growth strategy for larger firms in these types of industries. Typically, small businesses that cannot make this shift do not progress beyond the small business level.

SELF-CHECK**Question**

- What organizational structure do you call a small business, where decisions are made by the owner?

Feedback

- In most small businesses, where decisions are made by the founder or owner, the structure is referred to as centralization.

7.1.2 REASONS FOR DEVELOPMENT OF ORGANISATIONAL STRUCTURE

The following are some of the reasons why organizational structure is developed:

1. The structure gives members clear guidelines on how to proceed. A clearly established structure gives the group a means to maintain order and resolve disagreements.
2. The structure binds members together. It gives meaning and identity to the people who join the group as well as to the group itself.

3. Structure in any organisation is inevitable – an organisation, by definition implies a structure. Your group is going to have some structure whether it chooses to or not. It might as well be the structure which best matches up with what kind of organisation you have, what kind of people are in it and what you see yourself doing.

7.2 PROBLEMS WITHIN AN ORGANIZATIONAL STRUCTURE

A company with a strong organizational structure benefits from improved communication, a well-defined hierarchy and the ability to create a unified company message. As efficient as organizational structure can be, it can also create problems that can lead to loss of productivity and internal conflict. In order to maintain a strong company framework, you need to be able to identify the problems within an organizational structure and deal with them as they occur.

7.2.1 DEPARTMENTAL LOYALTY

One of the dangers of creating departments is the appearance of an "us versus them" mentality between different groups. Sales may fall in conflict with accounting because new customers are not getting approved for credit terms. Logistics is at odds with manufacturing because products are not being built fast enough to meet shipping deadlines. Departments tend to get competitive and feel that their work is more important to the success of the company than the work of the other groups. This can cause breaks in communication that affect productivity.

7.2.2 NEW MANAGEMENT

If there have not been changes in management for many years, then the company will start to settle into a way of doing things that is efficient and comfortable for the existing management team. Changes in management, for whatever reason, can put strain on the organizational structure of an organization. The new manager, or managers, may be unfamiliar with the way the organizational structure has been run for years and try to put a new spin on how things should be run. There is an adjustment period for employees and other managers.

7.2.3 CONFUSION

Effective communication is required to keep an organizational structure running smoothly. Without communication, new ideas and processes can get confused. Managers may begin to redouble efforts in an attempt to claim certain parts of a process as their own. This is why executive communication to the rest of the company is critical to the success of any organizational structure. If departments are not clear on exactly what their responsibilities are, then the ensuing confusion can slow production down.

Effective communication

Communication that is clearly and successfully delivered, received and understood.

7.2.4 COMPANY GOALS

An organizational structure is only effective when the entire company uses it properly, according to management consultants Liebowitz and Associates. When upper management creates departmental goals for the rest of the company without first consulting with the managers of those departments, the company runs the risk of not making its goals. In order for an organizational structure to be effective, goal-making needs to be a two-way process. When upper management does not seek the input of the rest of the company to create company goals, then resentment can set in and morale begins to drop.

Session Review

7.1 explain organizational structure

Structure is what ensures that your organisation will function smoothly and as you intended. You should think about structure early in the development of your organisation, but be aware that the type that fits best may change as your organisation grows.

7.2 highlight problems of organizational structure

As efficient as organizational structure can be, it can also create problems that can lead to loss of productivity and internal conflict. In order to maintain a strong company framework, you need to be able to identify the problems within an organizational structure and deal with them as they occur.

Assessment

SAQ 7.1 (tests Learning Outcome 7.1)

An organizational structure refers to how management and employees in a business make decisions and perform required task. Discuss.

SAQ 7.2 (tests Learning Outcome 7.2)

Highlight three (3) problems of organizational structure.

Resources

Articulate Presentation

This is a complimentary resource to facilitate the quick delivery of this session. It is available in your course pack (Schoolboard disc / online page), and also linked here.

Schoolboard

Access your schoolboard app, or visit www.schoolboard.edutechportal.org/introductiontomicroeconomics to access updated online activities and resources related to the units of this Study Session.

Study Session 8

Human Resources Management Model

INTRODUCTION

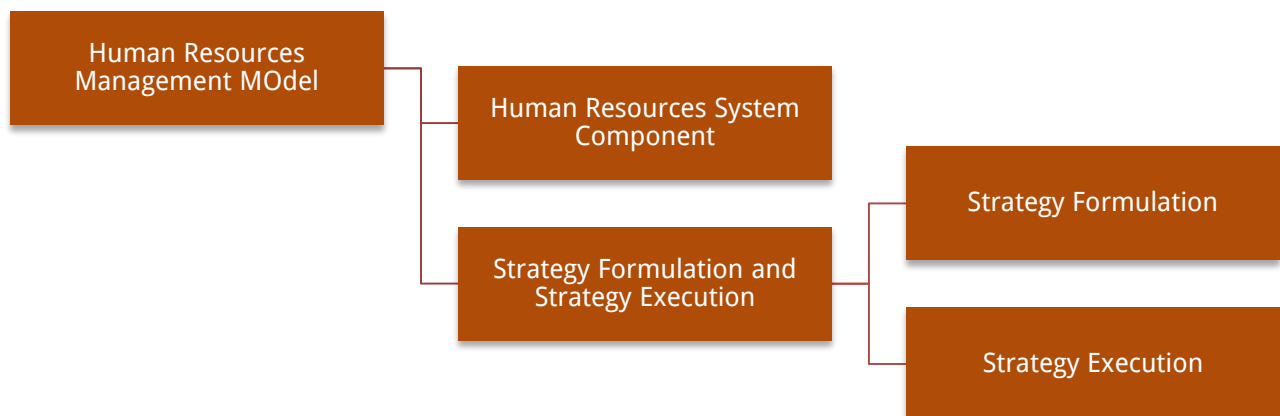
In this study session, you will be discussing the human resources management model. You will begin by evaluating the human resource system component. You will proceed by explaining the strategic formulation and execution. Under this, you will discuss the opportunities and threats of strategic formulation and execution.

Learning Outcomes

When you have studied this session, you should be able to:

- 8.1 *highlight* the human resource components
- 8.2 *explain* strategic formulation and execution

Session Preview



Study Session Duration

This Study Session requires a one hour of formal study time. You may spend an additional two hours for revision.

Terminologies

Public sector	That portion of an economic system that is controlled by national, state or provincial, and local governments.
Globalization	The process by which businesses or other organizations develop international influence or start operating on an international scale.

8.1 HUMAN RESOURCE SYSTEM COMPONENT

Public sector

The part of national economy providing basic goods or services that are either not, or cannot be, provided by the private sector.

In creating a strategically relevant human resource management system in the private and **public sector**, it is useful to focus on three main components and these are:

- i. The Human Resource professionals- who have the strategic and other skills required to build the strategy-oriented Human Resource system.
- ii. The Human Resource policies and practices – for example, how the company recruits, selects and trains and rewards employees.
- iii. The Employee behaviour and competencies – which the company's strategy requires that emerge from the human resource system's policies and practices.

In addition, the human resource professionals should design their policies and practices so that they produce the employee competencies and behaviours the company needs to achieve its strategic goals.

SELF-CHECK

Question

- The components of human resource management includes:

_____;
 _____;and
 _____.

Feedback

- Human resource professionals, human resource policies and practices and the employee behaviour and competencies are the three components of human resource management.

8.2 STRATEGY FORMULATION AND STRATEGY EXECUTION

8.2.1 STRATEGY FORMULATION

Globalization

A process of interaction and integration among the people, companies, and governments of different nations, a process driven by international trade and investment and aided by information technology.

In Today's organization, the traditional role of execution of Strategies by human resource management has extended to the formulation of strategies in collaboration with top management both in the public and private sector. This is the reality employers' face today which is as a result of globalization. **Globalization** has brought about, more competition which has led to more performance and most employers are pursuing improved performance. This situation has made human resource management's knowledge and expertise crucial to the strategy formulation process.

Formulating a strategic plan requires identifying, analysing, and balancing the company's external opportunities and threats on one hand and its internal strength and

weaknesses on the other hand. These strategic plans capitalize on the firm's strengths and opportunities and minimize or neutralize its threats and weaknesses.

Opportunities and threats

With regards to opportunities and threats externally, the human resources manager is in a unique position to supply competitive intelligence that may be useful in the strategic planning process, for example such details regarding the competitors' incentive plans, opinion survey data from employees that elicit information about customer complaints and information about pending legislation such as labour laws and mandatory income tax.

Strengths and Weaknesses

Human resource management also supports strategy formulation for by providing input on the company's internal human strengths and weaknesses. Such inputs on the company's employees may include the number of those who are computer literate, number of those who have the educational background to assimilate new training, whether the company is able to provide the necessary training in time or whether to turn to outside vendors or to hire new workers. With such inputs firms are even able to build new strategies around human resource strengths.

8.2.2 STRATEGY EXECUTION

Strategy Execution is traditionally the heart of the human resource manager's strategic job. Top management formulates the company's corporate and competitive strategies. Then the human resource manager designs the strategies, the policies and practices that make sense in terms of the company's corporate and competitive strategies. For example, FedEx's human resources strategies, which are supporting the communication and employee development helps FedEx, differentiate itself from its competitors by offering superior service.

Human resource management supports strategy execution in other ways, for example it administers most firm's downsizing and restructuring efforts, reducing health care costs, instituting pay-for-performance plans, retraining employees, etc.

Session Review

8.1 highlight the human resource components

In creating a strategically relevant human resource management system in the private and public sector, it is useful to focus on three main components and these are:

1. The Human Resource professionals
2. The Human Resource policies and practices
3. The Employee behaviour and competencies

8.2 explain strategic formulation and execution

Formulating a strategic plan requires identifying, analysing, and balancing the company's external opportunities and threats on one hand and its internal strength and weaknesses on the other hand. These

strategic plans capitalize on the firm's strengths and opportunities and minimize or neutralize its threats and weaknesses.

Strategy Execution is traditionally the heart of the human resource manager's strategic job. Top management formulates the company's corporate and competitive strategies. Then the human resource manager designs the strategies, the policies and practices that make sense in terms of the company's corporate and competitive strategies.

Assessment

SAQ 8.1 (tests Learning Outcome 8.1)

How has globalization influenced Human Resource Management in the public and the private sector?

SAQ 8.2 (tests Learning Outcome 8.2)

Discuss strategy formulation and execution.

Resources

Articulate Presentation

This is a complimentary resource to facilitate the quick delivery of this session. It is available in your course pack (Schoolboard disc / online page), and also linked here.

Schoolboard

Access your schoolboard app, or visit www.schoolboard.edutechportal.org/introductiontomicroeconomics to access updated online activities and resources related to the units of this Study Session.

Study Session 9

Public Corporation in Nigeria and Management Consulting

INTRODUCTION

In this study session, you will discuss about different public corporations in Nigeria. You will begin by giving a brief history of the Nigerian National Petroleum Company, the Nigerian Airways, Nigerian Railway and the Nigerian port authority. Moving on, you will explain the management consulting. Under this, you will describe the duties of management consultants. Also, you will highlight the advantages and the disadvantages of internal consultants. Still ahead, you will discuss the managerial discretion in public corporation. Under which you will evaluate the external and internal constraints.

Learning Outcomes

When you have studied this session, you should be able to:

- 9.1 *discuss* the history of public corporation in Nigeria
- 9.2 *explain* management consulting
- 9.3 *evaluate* the managerial discretion in public corporation.

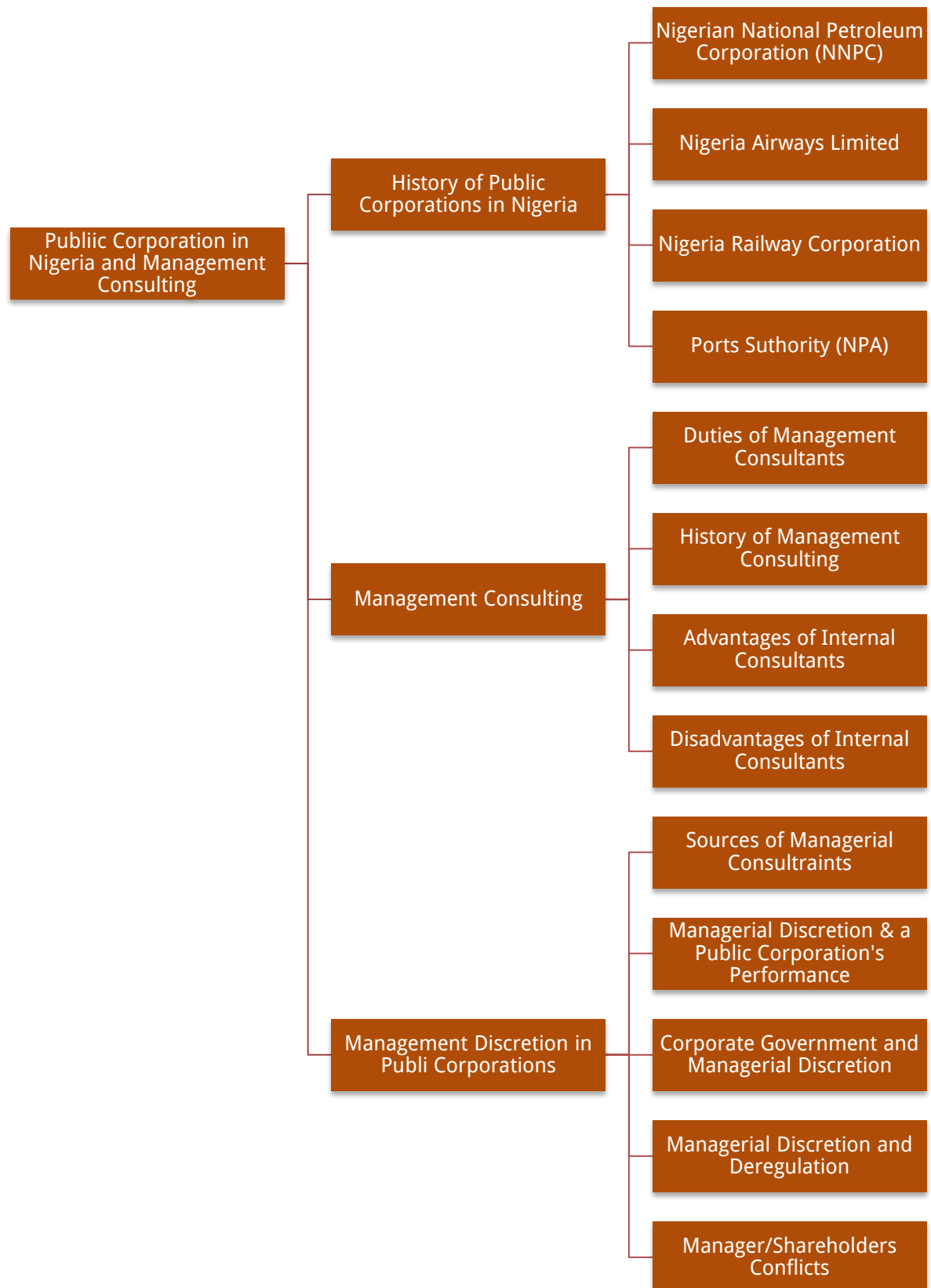
Study Session Duration

This Study Session requires a one hour of formal study time. You may spend an additional two hours for revision.

Terminologies

Joint venture	A commercial enterprise undertaken jointly by two or more parties which otherwise retain their distinct identities.
Management consultant	The practice of helping organizations to improve their performance, operating primarily through the analysis of existing organizational problems and the development of plans for improvement.
Financial consultant	Someone who specializes in providing financial advice to his or her clients.
Litigation consulting	The service provided by a trial consulting firm that helps a trial team design, test and deliver a courtroom presentation.
Deregulation	The reduction or elimination of government power in a particular industry, usually enacted to create more competition within the industry.

Session Preview



9.1 HISTORY OF PUBLIC CORPORATIONS IN NIGERIA

9.1.1 NIGERIA NATIONAL PETROLEUM CORPORATION (NNPC)

Joint venture

A business arrangement in which two or more parties agree to pool their resources for the purpose of accomplishing a specific task.

NNPC was established on April 1, 1977 as a merger of the Nigerian National Oil Corporation and the Federal Ministry of Mines and Steel. NNPC by law manages the **joint venture** between the Nigerian Federal Government and a number of foreign multinational corporations, which include Royal Dutch Shell, Agip, ExxonMobil, Chevron, and Texaco (now merged with Chevron). Through collaboration with these companies, the Nigerian government conducts petroleum exploration and production. In 2007, the head of the Nigerian wing of Transparency International said salaries for NNPC workers were too low to prevent graft. The NNPC Towers in Abuja is the headquarters of NNPC. It consists of four identical towers, the complex is located on Herbert Macaulay Way, Central Business District Abuja. NNPC also has zonal offices in Lagos, Kaduna, Port Harcourt and Warri. It has an international office located in London, United Kingdom.

Legal premise (Energy law)

According to the Nigerian constitution, all minerals, gas, and oil the country possesses are legally the property of the Nigerian federal government. As such, the oil corporations operating in Nigeria appropriate portions of their revenue to the government, which accrues nearly 60% of the revenue generated by the oil industry in this manner. The revenue gained by the NNPC accounts for 76% of federal government revenue and 40% of the entire country's GDP. As of 2000, oil and gas exports account for 98% of Nigerian export earnings.

SELF-CHECK

Question (True/False)

- Nigeria National Petroleum Company does not manage the joint venture between the Nigerian Government and some foreign multinational oil company.

Feedback

- The statement is false. Nigerian National Petroleum Company by law manages the joint venture between the Nigerian Federal Government and a number of foreign multinational corporations, which include Royal Dutch Shell, Agip, ExxonMobil, Chevron, and Texaco

9.1.2 NIGERIA AIRWAYS LIMITED

Nigeria Airways Ltd., more commonly known as Nigeria Airways, is a defunct Nigerian airline. The company was founded in 1958 after the dissolution of West African

Airways Corporation. It was wholly owned by the Government of Nigeria, and served as the country's flag carrier until it ceased operations in 2003. At the time of dissolution, the company's headquarters were at Airways House, located in Abuja. The airline's operations were concentrated at Murtala Muhammed International Airport. The airline was managed by a number of foreign companies, including British Airways, KLM and South African Airways. It had its heyday in the early 1980s, just after a KLM team two-year-management period; at that time its fleet comprised about 30 aircraft. Plagued by mismanagement, corruption, and overstaffing, at the time of closure, the airline had debts of more than US\$60,000,000 (\$74,880,608 in 2013), a poor safety record, and its operative fleet comprised a single aircraft flying domestic routes as well as two leased aircraft operating the international network. It was succeeded by Virgin Nigeria.

9.1.3 NIGERIA RAILWAY CORPORATION

Nigerian Railway Corporation (commonly abbreviated as NRC) is the government body operating railways in Nigeria. NRC went more than once into bankruptcy during the last 20 years. Lack of maintenance on infrastructure and rolling stock and a high number of employees the railway produced huge deficits, not taken over by the state. In 2005 after several re-organisations of the system passenger transport was reduced to four departures weekly from Lagos of which two went to Kano, one to Jos and one to Maiduguri; from Port Harcourt four trains every week ran to Kano (two weekly), one weekly to Jos and one to Maiduguri. News from Nigeria indicates that the current (2016) government wants to rebuild more or less the entire existing 1,067 mm (3 ft. 6 in) network to standard gauge.

According to the critique by Mazi Jetson Nwakwo, former acting managing director of the NRC, the rail system is suffering from the lack of political will by the nation's politicians. While the NRC had employed about 45,000 people between 1954 and 1975, current employment is only 6,516. He pointed out that no new wagons had been bought since 1993, and some wagons date back to 1948. Track condition limit trains to a speed of 35 km/h. Nigerian Railway Corporation operates a network of 3,505 kilometres (2,178 mi) of single track lines, all have 1,067 mm (3 ft. 6 in) gauge. The network comprises the following lines:

1. Lagos - Agege - Ifo - Ibadan - Ilorin - Minna - Kaduna - Zaria - Kano, 1,126 kilometres (700 mi)
2. Ifo - Ilaro, 20 kilometres (12 mi)
3. Minna - Baro, 155 kilometres (96 mi)
4. Zaria - Kaura Namoda, 245 kilometres (152 mi)
5. Kaduna - Kafanchan - Kuru - Bauchi - Maiduguri, 885 kilometres (550 mi)
6. Kuru - Jos, 55 kilometres (34 mi)
7. Kafanchan - Makurdi - Enugu - Port Harcourt, 737 kilometres (458 mi)

There are a few extensions of the 1,067 mm (3 ft 6 in) gauge network planned, but none of these have ever materialized since 1980, from Gusau on the branch to Kaura Namoda to Sokoto, 215 kilometres (134 mi), from Kano to Katsina, 175 kilometres (109 mi), and from Lagos to Asaba.

SELF-CHECK

Question

- What does NRC do?

Feedback

- Nigerian Railway Corporation (commonly abbreviated as NRC) is the government body operating railways in Nigeria.

9.1.4 PORTS AUTHORITY (NPA)

The history of sea port development in Nigeria dates back to the mid-19th century, following the adventures of early explorers on the West African Coast and the international trade which resulted. Initial efforts consisted of opening up the entrance to the Lagos Lagoon and the provision of facilities for oceangoing vessels, the mainstreamer SS Akoko entered the new Lagos Harbour. Two months later the Customs Wharf on Lagos Island was opened, and not long after Apapa and Port-Harcourt were added to the network of ports. The establishment of the Nigerian Ports Authority in 1954 brought a new impetus in the development of Nigerian sea ports. The organisation made remarkable progress and in line with government's efforts to improve the services and revenue yielding potentials of the organisation, the activities of Nigerian Ports were commercialised in 1992 under the name, "Nigerian Ports Plc". However, considering the fact that the company is still wholly owned by the government, it reverted to its former name, Nigerian Ports Authority in October 1996.

This reversion is however, not in conflict with commercialisation efforts and the commitment to improved services. Nigerian Ports Authority today operates under the supervision of the Federal Ministry of Transport with the responsibility of providing specific ports and harbour services for the country's maritime industry. The Nigerian Ports Authority (NPA) is a federal government agency that governs and operates the ports of Nigeria. The major ports controlled by the NPA include: the Lagos Port Complex and Tin Can Island Port in Lagos; Calabar Port, Delta Port, Rivers Port at Port Harcourt, and Onne Port. Operations of the NPA are carried out in affiliation with the Ministry of Transport and the Nigerian Shippers' Council. The main offices of the Nigerian Ports Authority are located in Lagos.

From the preceding discussion, we can infer that management practices in different countries tend to be different due to differences in beliefs, values, attitudes, behaviour patterns and habits. There are different languages, social customs and taboos, religious convictions, etc. Further, different societies operate at different levels of technological usage. All these influences on comparative management can be summed up in one single construct, i.e., culture.

9.2 MANAGEMENT CONSULTING

Management consulting is an independent professional advisory service assisting managers and organizations to achieve organizational purposes and objectives by solving management and business problems, identifying and seizing new opportunities, enhancing learning, and implementing changes. Professional management consultants

are contracted by organizations to provide advisory services in an objective and independent manner. Services include, but are not limited to, strategic planning, facilitation, quality assurance, education and training, investment counsel, identification and analysis of management problems, developing solutions, and the implementation of proposed solutions.

9.2.1 DUTIES OF MANAGEMENT CONSULTANTS

Financial consultants

Professionals who work counseling clients in the use and management of their money, investment options and asset relocation.

Human resources

The people who make up the workforce of an organization, business sector or economy.

Professional management consultants may be asked to provide objective advice that will help an organization solve problems or manage change, including business start-up, expansion, reorganization, diversification, downsizing, disposal of assets, planning, review of operations, launching projects, or acquiring and implementing technology. In general, business management consultants:

1. Define the nature and extent of the project by gathering information (which may include conducting research to determine the current efficiency and effectiveness of managerial policies and procedures.
2. Analyze the data collected and use their background knowledge to develop proposals for improving methods, systems and/or procedures.
3. Present their recommendations to the client organization and, if their recommendations are accepted, implement those recommendations.

Professional management consultants are hired when an organization lacks sufficient resources, requires external objective advice, or because they have expertise not available within the client organization. Most management consultants specialize in helping organizations solve particular types of problems, challenges or changes. There are as many specializations as there are types of business problems and challenges. The following are a few possibilities:

1. **Finance consultants** provide advice on matters such as pricing securities, business valuation and economic forecasting.
2. **Human resources** consultants advise about recruitment practices, compensation and benefits packages, pension funding, work-force diversification and employee development programs.
3. **Litigation consultants** work with lawyers to develop case strategies, courtroom exhibits and tactics, and provide economic analyses.
4. Marketing consultants work with companies seeking innovative ways to market new or existing products and services.
5. Operations consultants help organizations increase productivity by improving business processes.
6. Organizational change consultants work with clients undergoing a fundamental re-orientation in the way the organization operates.
7. Quality management consultants help organizations improve the quality of their products and services.
8. Strategic consultants help organizations with strategic planning for the foreseeable future (which may include developing a growth strategy, restructuring, marketing internationally, buying/selling assets, or revitalizing leadership).
9. Technology consultants help organizations implement new technologies for optimal

effectiveness.

SELF-CHECK

Question (True/False)

- Corporations employ professional management consultants when there is abundances of resources.

Feedback

- This statement is not true because Professional management consultants are hired when an organization lacks sufficient resources, requires external objective advice, or because they have expertise not available within the client organization. The emphasis here is on “lack of sufficient resources”.

There are three simple but essential elements to successfully engaging a consultant:

1. Identify the need for management consulting services.
2. Carefully select a management consultant based on knowledge, demonstrated skills and competencies.
3. Work with the consultant to ensure that the assignment is satisfactorily completed in accordance with the proposal.

9.2.2 HISTORY OF MANAGEMENT CONSULTING

Management consulting grew with the rise of management as a unique field of study. The first management consulting firm was Arthur D. Little, founded in 1886 by the MIT professor of the same name and was incorporated in 1909. Though Arthur D. Little later became a general management consultancy, it originally specialised in technical research. Booz Allen Hamilton was founded by Edwin G. Booz, a graduate of the Kellogg School of Management at North-western University, in 1914 as a management consultancy and the first to serve both industry and government clients. In 1926, James O. McKinsey, professor of Managerial Accounting at the University Of Chicago Booth School Of Business, founded McKinsey.

The first wave of growth in the consulting industry was triggered by the Glass-Steagall Banking Act in the 1930s, and was driven by demand for advice on finance, strategy, and organization. From the 1950s onwards consultancies not only expanded their activities considerably in the United States but also opened offices in Europe and later in Asia and South America. After World War II, a number of new management consulting firms formed, bringing a rigorous analytical approach to the study of management and strategy. Work carried out at McKinsey, Boston Consulting Group, AT Kearney, Booz Allen Hamilton, and the Harvard Business School during the 1960s and 1970s developed the tools and approaches that would define the new field of strategic management, setting the groundwork for many consulting firms to follow. In 1983, Harvard Business School's influence on the industry continued with the founding of, the now defunct, Monitor Group by six professors.

9.2.3 ADVANTAGES OF INTERNAL CONSULTANTS

There are several potential benefits to employing internal consultants:

1. If properly managed and empowered, internal consulting groups evaluate engagement on projects in light of the corporation's strategic and tactical objectives.
2. Often, the internal consultant requires less ramp up time on a project due to familiarity with the corporation, and is able to guide a project through to implementation — a step that would often be too costly if an external consultant were used.
3. Internal relationship provides opportunities to keep certain corporate information private.
4. It is likely that the time and materials cost of internal consultants is significantly less than external consultants operating in the same capacity.
5. Internal consulting positions can be used to recruit and develop potential senior managers of the organization.

9.2.4 DISADVANTAGES OF INTERNAL CONSULTANTS

Below are some of the advantages of internal consultant:

1. The internal consultant may not bring the objectivity to the consulting relationship that an external firm can.
2. An internal consultant also may not bring to the table best practices from other corporations. A way to mitigate this issue is to recruit experience into the group and/or proactively provide diverse training to internal consultants.
3. Internal consultants may face corporate politics just as any group in an organization.
4. Where the consulting industry is strong and consulting compensation high, it can be difficult to recruit candidates.
5. It is often difficult to accurately measure the true costs and benefits of an internal consulting group.
6. When financial times get tough, internal consulting groups that have not effectively demonstrated economic value (costs vs. benefits) are likely to face size reductions or reassignment.

9.3 MANAGERIAL DISCRETION IN PUBLIC CORPORATIONS

Managerial discretion, which refers to executives' ability to affect important organizational outcomes, is a function of the task environment the internal organization, and managerial characteristics. Managerial discretion occurs in public corporations when owners of organization or governments enjoy exclusive control rights over

managers. When there exist non-owner control over managers, managerial discretion may produce a favourable effect on corporate performance, if the objective functions of managers is relatively more in line with profit maximization rather than to the non-owner controlling party. Public corporation is not suitable in industries where long-term growth is slow, where internally-generated funds outstrip the opportunities to invest them profitably or where downsizing is the most productive long-term strategy. The public corporation is a social invention of vast historical importance. Its genius is rooted in its capacity to spread financial risk over the diversified portfolio of millions of individuals and institutions and to allow investors customize risk to their unique circumstances. By diversifying risks that would otherwise be borne by owner-entrepreneurs and by facilitating the creation of a liquid market for exchanging risks, the public corporation lowers the cost of capital.

These tradable claims on corporate ownership (common stock) also allowed risk to be borne by investors best able to bear it, without requiring them to manage the corporation. This has been a widely studied area, different assumptions made in various studies analyzing the objectives function of the managers. For example, Bauriol (1959) assumes that managers have incentives to maximize sales, subject to the constraint of satisfactory profit. Williamson (1963) assumes that managers have a positive preference for incurring staff expenses, getting bigger managerial emoluments and increasing funds available for discretionary use. Some studies suggest that managers prefer non-optimal capital structure in order to pursue personal goals such as protecting under-diversified human capital. Fama (1980) cites circumventing performance pressures associated with commitments to disgorge large amount of cash as an example.

9.3.1 SOURCES OF MANAGERIAL CONSTRAINTS

The degree of discretion that senior executive managers have in setting objectives is limited by both external and internal constraints. External constraints arise from the active market in company shares while internal constraints arise from the role of nonexecutive board members and stakeholders, trying to align the managers' and the owners' interests by the rules shaping corporate governance.

External Constraints

There are five sources of external constraint on managerial behaviour in any system of corporate control. Those who potentially hold this power are:

1. Holders of large blocks of shares who use or threaten to use their voting power to change management or their policies if they become dissatisfied.
2. Acquirers of blocks of shares sold by existing shareholders unhappy with the performance of management.
3. Bidders in the takeover process who promise to buy all the voting shares of the enterprise.
4. Debtors/Investors, particularly in times of financial distress, who act to protect their interests in the company.
5. External regulators and auditors.

In outsider systems, external control is exercised mainly through the workings of the

stock market rather than voting. In the stock market, shares are continuously traded and the price reflects the relative numbers of buyers and sellers and their willingness to buy or sell. The influence of the workings of the stock market on managerial discretion assumes that a fall in the share price will make management more vulnerable to shareholder activism either in selling shares or in voting at shareholder meetings.

In outsider systems, shareholders are inclined to sell under-performing shares to maintain a balance in their diversified share portfolios. In insider systems the selling of shares is more difficult and, therefore, shareholders are more likely to use their voting power to influence management. In outsider systems the working of the stock market makes it feasible to acquire blocks of shares by purchase and to make a bid for all the equity of a company, thereby threatening the tenure of the existing management. Other external constraints on managerial behaviour are the need to comply with company law, independent auditing of accounts and the lodging of company accounts with the regulators. The annual accounts of a company are designed to present a reasonable picture of the company's activities and its financial health in terms of profit and debt levels to actual and potential shareholders. On occasions, audited accounts have been found to have presented an inaccurate picture, in that a company has gone bankrupt after the accounts appeared to show a healthy financial situation.

Internal Constraints

1. Within the organizational structure of the company, there are groups who may be able to influence management to change policies. The first of these are the non-executive directors, who are appointed to the boards of companies to oversee the behaviour of the executive directors. However, they are normally appointed by the executive managers and, therefore, may not be independent in their actions or effective in constraining executive directors. They are often few in number and can be outvoted by executive directors. One of the objectives of corporate governance reform in Nigeria is to make non-executives more effective.
2. The second of these groups are the owners or shareholders, who can exercise their authority at meetings of the company or informally with management. Directors are elected at the annual general meeting of the company. Dissatisfied shareholders can vote against the re-election of existing executive directors or seek to get nominees elected. They can also vote against resolutions proposed by the executive of the company, such as those relating to executive remuneration. In the past this has rarely happened as shareholders have been passive rather than active in company affairs and sell underperforming shares. However, in Nigeria institutions, shareholders have become more active in organizing coalitions to either influence management behind the scenes or forcing votes at annual general meetings.
3. A third group that can influence executive managers are the stakeholders within the company. These include employees of the firm as well as customers, suppliers, lenders and the local community. They may do this by expressing their criticisms concerns either directly to the executives or indirectly by informing shareholders, the media and outside experts or commentators. Investment banks and stockbrokers offer advice to shareholders on the potential future earnings of the company, and such comments may help to influence attitudes toward incumbent managers.

9.3.2 MANAGERIAL DISCRETION AND A PUBLIC CORPORATION'S PERFORMANCE

Most of the existing studies on the relationship between managerial discretion and a public corporations performance assume that owners (i.e. governments) are the only members in corporations who enjoy exclusive rights to control and monitor the managers. These studies indicate that, in the absence of any major changes in external control Mechanism, an increase in managerial discretion implies a decrease in control by the owners; the result of which is more operating leeway, for undesirable behavior on the part of the managers. As a result, a negative relationship between managerial discretion and a public corporation performance is expected. This relationship however becomes unclear when the control right over managers are shared between the owners and some other party or parties whose interests may not necessarily coincide with the interest of the owners. Examples of such non-owner controlling parties include labour organizations, suppliers of materials, consumers, representatives, environmental activities, local communities and government agencies (Dixit, 1997). In such scenarios where there are multiple parties competing for control, the managers are commonly called stakeholders. When there exists non-owner control over managers, managerial discretion may produce a favourable effect on corporate performance. If the objective function of managers is relatively more in line with profit-maximizing than that of the non-owner controlling party, Baumol (1959) assumes that managers have incentives to maximize sales subject to the constraint of satisfactory profit.

9.3.3 CORPORATE GOVERNANCE AND MANAGERIAL DISCRETION

Corporate governance is the integrated set of internal and external control mechanism that harmonize manager-shareholder conflicts of interests resulting from the separation of ownership and management (Williamson, 1984). A common feature of large public corporations is the separation of ownership and control between the principal and the agent (Fama and Jensen, 1983). Agency theorists argue that agency problems arise from the separation of ownership and control. Building on an agency theory perspective, we expect that agency problems can be amplified if a certain context makes more difficult for the principal to observe and judge the agent's behavior.

9.3.4 MANAGERIAL DISCRETION AND DEREGULATION

Deregulation

The process of removing or reducing state regulations, typically in the economic sphere.

Deregulation creates a unique context that makes the principal's monitoring work more difficult, and this amplifies agency problems. In the transition to a deregulated context, four factors are theoretically linked to the problems of the principal's monitoring. These are:

1. The lack of subsidizing monitoring
2. A high level to managerial discretion,
3. Increased environmental uncertainty and

4. Increased information asymmetry

Deregulation removes much of the subsidized monitoring and disciplining potentials of managerial behaviour by government agencies. It also provides managers with more opportunities for discretionary actions (Frinkelstein, and Boyd, 1998). Government regulation determines firm strategy (Grucia and Nath, 1994) and imposes constraints upon strategic decisions. It also makes the focus of strategic decision. Government regulation also decides the focus of strategic decision shift away from managers to public official (Smith and watts 1992).

9.3.5 MANAGERS/SHAREHOLDERS' CONFLICTS

A central weakness and source of waste in the large public corporation is the conflict between shareholders and managers over the payout of free cash flow that is, cash flow in excess of that required to fund all investment projects with positive net present values when discounted at the relevant post of capital. For a company to operate efficiently and maximize value, free cash flow must be distributed to shareholders rather than retained. But this happens infrequently, as senior managers have few mechanisms to compel distribution. Managers-stockholders conflicts are introduced by considering the fact that, in addition to his fixed wage, the manager derives utility from both retaining control and investing new project.

A common determinant of capital structure arises from manager-shareholders' conflicts. Managers and shareholders have different objectives. In particular, managers tend to value investment more than shareholders do. Graham (2000) holds that debt financing can increase a firm's value by reducing the costs associated with the conflict. Managers have incentives to retain cash in part because cash reserves increase their autonomy vis-à-vis the capital markets. Shareholders are at a great advantage in this world, where management's plans are subject to enhanced monitoring by the capital markets.

Session Review

9.1 discuss the history of public corporation in Nigeria

Comparative management refers to management as a discipline of study and practice in other countries than of one's own. Hofstede's model of comparative management provides valuable clues about the theoretical framework as well as empirical evidence about comparative management in different cultures. Eight major components of cultural environment, namely language, religion, values and attitudes, education, social organisation, technology and material culture, politics and law are known to influence the international businesses and comparative management practices. Sufficient knowledge of the subject of comparative management, respect for alien cultures and feelings of empathy towards local people in a foreign land are important steps in becoming an effective manager in international milieu.

9.2 explain management consulting

Many consulting firms are organized in a structured matrix, where one 'axis' describes a business function or type of consulting: for example, strategy, operations, technology, executive leadership, process improvement, talent management, sales, etc. The second axis is an industry focus: for example, oil and gas, retail,

automotive. Together, these form a matrix, with consultants occupying one or more 'cells' in the matrix. For example, one consultant may specialize in operations for the retail industry, and another may focus on process improvement in the downstream oil and gas industry.

9.3 evaluate the managerial discretion in public corporation.

Managerial discretion, which refers to executives' ability to affect important organizational outcomes, is a function of the task environment the internal organization, and managerial characteristics. Managerial discretion occurs in public corporations when owners of organization or governments enjoy exclusive control rights over managers. When there exist non-owner control over managers, managerial discretion may produce a favourable effect on corporate performance, if the objective functions of managers is relatively more in line with profit maximization rather than to the non-owner controlling party. Public corporation is not suitable in industries where long-term growth is slow, where internally-generated funds outstrip the opportunities to invest them profitably or where downsizing is the most productive long-term strategy.

Assessment

SAQ 9.1 (tests Learning Outcome 9.1)

Discuss the history of two Nigerian public corporations.

SAQ 9.2 (tests Learning Outcome 9.2)

Management consulting is concerned with the achievement of organizational purposes and objectives by solving management and business problems. Discuss.

SAQ 9.3 (tests Learning Outcome 9.3)

Discuss the internal and external managerial constraints.

Resources

Articulate Presentation

This is a complimentary resource to facilitate the quick delivery of this session. It is available in your course pack (Schoolboard disc / online page), and also linked here.

Schoolboard

Access your schoolboard app, or visit www.schoolboard.edutechportal.org/introductiontomicroeconomics to access updated online activities and resources related to the units of this Study Session.

Study Session 10

The Civil Service

INTRODUCTION

In this study session, you will be discussing the civil service. You will begin by attempting to explain what civil service is. You will continue by describing the evolution and reforms in the civil service. In addition, you will highlight the civil service rules and examine divided loyalty within the civil service. Also, you will discuss the interchangeable expertise of the civil servant. Under this, you will inspect the loan and secondment concept.

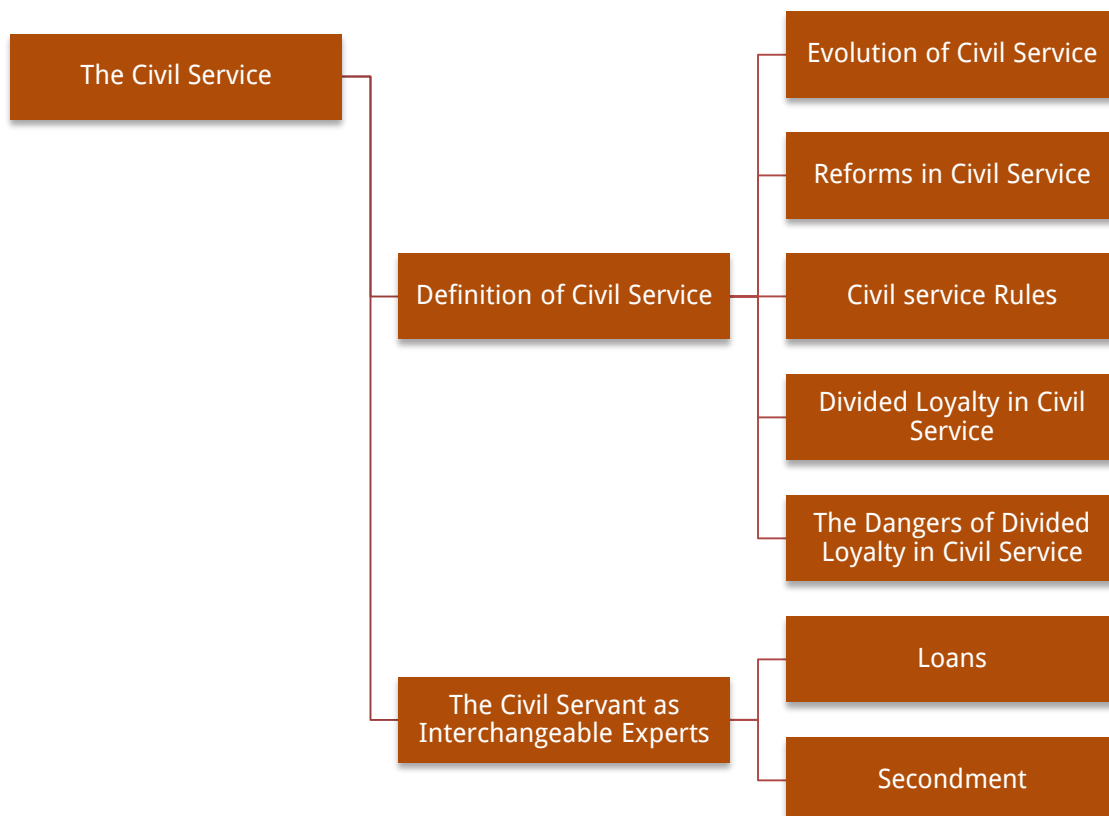
Learning Outcomes

When you have studied this session, you should be able to:

10.1 *define* civil service

10.2 *explain* the interchangeability of the civil servant

Session Preview



Study Session Duration

This Study Session requires a one hour of formal study time. You may spend an additional two hours for revision.

Terminologies

Civil service	Those branches of public service concerned with all governmental administrative functions outside the armed services.
Civil servant	A person in the public sector employed for a government department or agency.
Ethnicity	The fact or state of belonging to a social group that has a common national or cultural tradition.
Colonialism	The establishment of a colony in one territory by a political power from another territory, and the subsequent maintenance, expansion, and exploitation of that colony.
Conflict of interest	A situation that has the potential to undermine the impartiality of a person because of the possibility of a clash between the person's self-interest and professional interest or public interest.

10.1 DEFINITION OF CIVIL SERVICE

Civil service

Permanent professional branches of a state's administration, excluding military and judicial branches and elected politicians.

Civil servant

A staff in civil service.

In general terms, the **civil service** is an employment system that is based on hiring, retaining and promoting employees on their qualifications and ability to the work. According to Encarta World English Dictionary (1999,349) civil service constitute all government departments of a state and the people who work in them. Specifically, civil service has been described as an institution which has the pivotal role of carrying out (and advising on) government policies (Tijani Muhammed Bande (2001.1). The civil Service Hand book (1997.17) is more emphatic. It describes civil service as a body or organ which enjoys continuity of existence. Its members are not limited to a short term of office. When a civil servant relinquishes his office for whatever reason his place is taken by another person who similarly enjoys security of employment. **Civil servants** according to the Handbook command a pool of experience and know-how for implementing government policies. It recognises that while the civil service is the instrument of the government of the day, the service and its members are not permitted under the law to be partisan of any political party. The civil servant is also required to assist in formulating and implementing the policies approved by the government irrespective of its personal or private opinions or attitudes towards such policies. Another feature of civil service is that it is indispensable irrespective of the type of government in power (whether military or democratic regime).

10.1.1 EVOLUTION OF CIVIL SERVICE

The Nigerian civil service is one of those institutions created by the colonial government to facilitate the achievement of resource expropriation and maintenance of law and order. Pursuit of national development was not part of their agenda. Between

1900 and 1950, the Nigeria civil service was under the control of the British Colonial technocrats and general administrators. But there was a change of guard during the first Republic. The period between 1966 and 1976 witnessed a number of radical changes in the role of Nigeria civil servants. During that period, the civil servants were in control of government political process due to the emergence of military rulers in political administration prevailing in the African continent then, coupled with their lack of experience of political leadership in governance. Generals Ironsi and Gowon governments for example, relied heavily on the civil servants for the discharge of their duties (Lukman 1971: 2002 2004) This situation provided opportunity for civil servants to get involved in anti-democratic ethos which led to civil servants being accused of engaging in grafts, indolence and redundancy which led to the disengagement of about ten thousand civil servants under the Murtala/ Obasanjo regimes. The democratic government of the second republic came with a total destruction of the service as the entire civil service was politicised, polarised and factionalised which led to the struggle for supremacy between politicians and civil servants. This situation prompted the introduction of reforms in the civil service to reposition the administration of the service.

SELF-CHECK

Question

- What happens when a civil servant relinquishes his office?

Feedback

- When a civil servant relinquishes his office for whatever reason his place is taken by another person who similarly enjoys security of employment.

Colonialism

The policy or practice of acquiring full or partial political control over another country, occupying it with settlers, and exploiting it economically.

10.1.2 REFORMS IN THE CIVIL SERVICE

The civil service has undergone several reforms from the period of **colonialism** through military regimes up to the current democratic administration in Nigeria. Some of the reforms include: Tudor Davis and Harragin commission of 1945 & 1946 which reviewed the wages and general condition of service in the civil service. The Corsuch Commission of 1951 which was charged with enquiring into the structure and remuneration of the public service. The Udoji Public Service Review Commission of 1975 which introduced the unified Grading and Salary structure in the Service. The civil service reform of 1988 through Decree No 43 of 1988. Among all the reforms, the 1988 reform was the most elaborate. It was meant to achieve the following objectives:

1. Enhance professionalism, decentralisation and delegation of functions,
2. Institute checks and balances
3. Promote general modernisation
4. Enhance the combination of responsibility with authority
5. Align the civil service with the spirit of Executive Presidentialism
6. Enhance efficiency, effectiveness and speed of operations(Philips 1990, 1989, 1988)

All these reforms were intended to improve on the character of work ethics and values in the civil service. Such values and ethos directly affect the individuals who perform

duties as civil servants guided by the rules of the service.

10.1.3 CIVIL SERVICE RULES

Like other formal institutions, the civil service is guided by a set of rules and regulations for the conduct of its members in achieving its set goals in national development. The civil service as an organ of government is functional through the activities of individuals who make up the body. The performance of the body is determined by the efficiency of the body parts or components. In this respect, the efficiency of the civil service is based on the conduct and attitude of the staff. For the staff to be efficient there must be guiding principles for everyone. Accordingly, the civil service has both rules for “dos and don’ts” as code of ethics to guide the conduct of its members. For the purpose of this paper, we shall dwell more on the rules that touches on discipline of the individual civil servants in the performance of their official duties. Some of the features of the rules that touch on discipline are highlighted below:

1. Discipline: Strict compliance to the rules and regulations of the service
2. Loyalty: Loyal to government and constituted authority
3. Honesty: Honesty in doing their duties and in relation to the public
4. Courage: Hardworking embracing extensive schedule of duties
5. Courtesy: Politeness to colleagues and the general public
6. Tact: Skilfulness in handling difficult situation without giving offence to the people involved
7. Tidiness: keep working environment & offices tidy

10.1.4 DIVIDED LOYALTY IN CIVIL SERVICE

Loyalty in civil service is defined as an obligation of civil servants to respect and be loyal to the government which has given them opportunity to serve. It is a respect accorded a constituted authority in government institutions. Civil servants who perform their duties in the service contrary to the rules and regulations as stipulated in the civil service rules are said to have divided loyalty to the government or institution or constituted authority under which they work. Sadly, it has been noted that over the years the attitudes and behaviour of some civil servants in Nigeria’s civil service are not conducive to the efficient administration of the affairs of the service. Some of the factors responsible for the negative attitude of civil servants in the discharge of their duties include among others:

Work Ethics

Work Ethics is seen as the pattern of behaviour at work including the code of conduct expected of people at different work situations. They include such values as honesty, punctuality, commitment to set of objectives, respect for constituted authority, rules and regulations, the upholding of the values of an organization etc. Work ethics is defined as a way of determining what is right or wrong in the work place and then doing the right thing; the application of our values to work place in actual decision-making. It means the application of different values to the decision we make. For example, the application of say, honesty, fairness, efficiency, integrity, respect, accountability, patriotism etc. in our conducts at the work including judgment on colleagues.

Values

Values refers to the underlying factors of consideration, which impel men to do one thing instead of the other or to prefer one to another. They are about the things we hold dear and thus ready to protect and defend. At policy level, the values of administrators, policy makers etc. are known to inform the kind of policies they initiate or support including the way they go about realizing them. These two factors as we are aware are contained in the civil service rules which embody full moral principles to guide the civil servants in the discharge of their duties. The inability of the civil servants to keep to these rules without sufficient reason amounts to what is called “serious misconduct”. Section 04401 of the civil service rule defines serious misconduct as “a specific act of serious wrongdoing and improper behaviour which can be investigated and proved. It includes absence from duty without leave, disobedience example, refusal to accept posting, corruption, dishonesty, drunkenness, insubordination, falsification of records, negligence etc.

SELF-CHECK

Question (True/False)

- Work ethics refers to the underlying factors of consideration which impel men to do one thing instead of the other.

Feedback

- This statement is false. Work Ethics is seen as the pattern of behaviour at work including the code of conduct expected of people at different work situations; while values refers to the underlying factors of consideration, which impel men to do one thing instead of the other or to prefer one to another.

Ethnicity

Ethnicity

Pertaining to or characteristic of a people, especially a group (ethnic group) sharing a common and distinctive culture, religion or language

Ethnicity is the use of ethnic and sectional sentiment to confer unmerited and undue advantage to people of same ethnic origin. This happens in many ways including a situation where a particular part or ethnic group attempts to dominate leadership of some government institutions because of the number of officers from such region. Leadership of such institutions are treated as exclusive preserve of the dominating region. The implication is that if you are a leader and not from that part of the region, you intend to lose the loyalty of the officers from that region. It is no mistake that Section 14 (3) of the 1999 Constitution of the Federal Republic of Nigeria stated that: “the composition of the government of the Federation or any of its agencies and the conduct of its affairs shall be carried out in such a manner as to reflect the federal character of Nigeria and the need to promote national unity and also to command a national loyalty, thereby ensuring that there shall be no predominance of persons from a few state or from a few ethnic or other sectional groups in that government or any of its agencies.”

In giving effect to section 14(3) of the Constitution, the Constitution in Part 1 of the Third Schedule provided for the establishment of a federal character Commission. The Commission shall have power to:

1. “work out an equitable formula subject to the approval of the National Assembly for the distribution of all cadres of posts in the public service of the Federation and the states, the armed forces of the Federation, the Nigeria Police and other government security agencies, government owned companies or parastatals of the states;
2. “Promote, monitor and enforce compliance with the principles of proportional sharing of all bureaucratic, economic, media and political posts at all levels of government;
3. “take such legal measures, including the prosecution of the head or staff of any ministry or government body or agency who fails to comply with any federal character principles or formula prescribed or adopted by the Commission.

The above provisions of the Constitution which are also replicated in the civil service rules in terms of hierarchy in service, indicate that attempt to use ethnic domination in service to scuttle existing rules or pick and choose which leader to obey or disobey in service is inconsistent with the constitution and civil service rules and therefore amounts to divided loyalty.

Conflict of Interest

Conflict of interest

A situation in which the concerns or aims of two different parties are incompatible.

Conflict of interests is a situation where we are faced with making an ethical choice between one obligation and another. The Bible states that ‘no man may serve two masters’ at a time. Thus, conflict of interest arises when officers have to make decisions at work that may affect private or primordial interest. It means conflict between the public duties and private interest of a public official in which a public official has private capacity interest that could improperly influence the performance of his official duties and responsibilities. A public official or civil servant having private business partnerships and board membership, government contracts without approval of relevant authorities as stipulated in rule 04301(ii) of the Public Service Rules (revised edition 2000). A public official who refuses to respect constituted authority of an institution because such a person holding the position of authority is not from his/ her ethnic group. Such official is said to be having conflict of interest of allegiance to his ethnic group in contrast to the ethics of the oath of service he took.

Education

Education is a factor here because proper education inculcates national consciousness and spirit of national unity in an individual. That is why National Policy on Education stated that “Nigeria’s philosophy of education...is based on the integration of the individual into a sound and effective citizen and equal educational opportunities for all citizens of the nation at the primary, secondary and tertiary levels, both inside and outside the formal school system (Yahaya 1992:35). By this policy, civil servants are expected to possess minimum standard of education based on the requisite qualifications at the time of employment. It is assumed that education would have inculcated in the officers, the right attitude for the survival of the individual and the Nigerian society, the training of the mind in understanding of the world around him and the acquisition of the appropriate skills, abilities and competence for the individual to live in; and contribute to the development of the society and the institutions he belongs. What in-service training will do is to broaden and consolidate on the qualities believed to have been acquired by the individual before entering the service. Officers in the service who lack

proper education have the tendency to lack the proper attitude, values and skills with which to understand the right attitude to the rules and would easily develop divided loyalty when obligation to the service challenges their ego and psychological disposition.

Religion

Religion is another powerful instrument exploited by public officers to achieve private gains. It is a tool in the hand of politicians as well as some top civil servants used for private and selfish ends. Despite the Constitutional provisions which are also reflected in the civil service rules, religion is often used to create division in civil service institutions by leaders who pursue primordial interests and ethnic sentiments. What follows at leadership level is divided loyalty as officers may tend to follow those in authority who professes the same religion with them.

Leaking Official Secrets

The civil service considers as very important, the need to maintain secrecy on official government documents. The Oath of Secrecy of 1962 has remained in force in the civil service to demonstrate the premium government places on official documents. An official who divulges official secrets in the civil service is said to have divided loyalty.

10.1.5 THE DANGERS OF DIVIDED LOYALTY IN CIVIL SERVICE

There is no doubt that many people who came into civil service did so because of its secured tenure and soft conditions of service. It is also true that many of them lack commitment to efficiency, effectiveness and excellence which the performance of civil service job demands in addition to accountability, transparency, honesty, excellence, due process and rule of law and quality service delivery (Abhuere 2000). The civil service rules and indeed any rules or regulations of any organization are meant to be respected and obeyed. In any organization where rules and regulations are not respected, there is bound to be organizational calamity, pursuit of wrong values which can generate wrong attitude to work, destruction of accountability and mutual trust thus paving way for massive corruption and higher cost of services. When all these beset an institution, there is bound to be:

1. Poor regard for work: Nonchalant attitude of staff whereby some people will tell you that public service is not their father's job Ineffective supervision and reluctance or unwillingness to apply appropriate sanctions to offenders
2. Poor leadership based on selective justice Poor reward system and its inability to motivate the workforce appropriately
3. Fatal tribalism and nepotism that are blind to any wrongdoing by kinsmen
4. Poor knowledge of organization's goals, objectives and hazy focus by many civil servants
5. Warped value system that has little or no room for excellence, honesty, dedication or outstanding performance High level corruption and celebration of evil at the altar of money All these constitute a civil service structure that is gone out of alignment with the sacrosanct rules and tenets of service and it can only be different when

rules and regulations are obeyed and constituted authority respected.

10.2 THE CIVIL SERVANT AS INTERCHANGEABLE EXPERTS

The term “interchange” covers a variety of activities, but we define the two main ones as follows.

10.2.1 LOANS

If a civil servant moves to work in a different government department or agency, s/he is usually paid by the host department and is subject to the terms and conditions of the host department while working there. This is a loan.

10.2.2 SECONDMENT

If a civil servant moves to work outside the Civil Service (for example, to the wider public sector, industry or a charity), the usual arrangement is for the parent department to continue to pay the salary, but to recoup it from the host organisation. This is a secondment. The two organisations agree what terms and conditions apply, but these should usually be at least as favourable as in the Civil Service.

We think interchange is important because it allows people from different organisations to learn from each other and share good practice, ideas and experience. On one hand it develops expertise within the Civil Service and so helps it provide better public services; on the other, organisations outside the Civil Service gain a useful insight into the workings of central government. In all cases interchange should have clear benefits for the individual, the parent organisation and the host organisation. This section promotes the concept of interchange, and suggests some key considerations for those interested in undertaking or arranging it. We cannot, however, become involved in individual cases.

Note

The government is committed to a professional, modern and flexible Civil Service focused on the needs of society. If they are to provide the level of service society has a right to expect, civil servants need the right skills, expertise and experience; and interchange is one of the ways we can bring that about. It's an opportunity for individuals to develop their careers and their professionalism at the same time, and this brings benefits to the parent department and host organisation too. So interchange should benefit all three parties involved – the host organisation, the individual and the department or other employer.

SELF-CHECK**Question**

- What is regarded as a loan in civil servant's interchangeability?

Feedback

- A loan is a situation whereby a civil servant moves to work in a different government department or agency.

Session Review**10.1 define civil service**

Civil servants command a pool of experience and know-how for implementing government policies. It recognizes that while the civil service is the instrument of the government of the day, the service and its members are not permitted under the law to be partisan of any political party. The civil servant is also required to assist in formulating and implementing the policies approved by the government irrespective of its personal or private opinions or attitudes towards such policies.

10.2 explain the interchangeability of the civil servant

Interchange is important because it allows people from different organisations to learn from each other and share good practice, ideas and experience. On one hand it develops expertise within the Civil Service and so helps it provide better public services; on the other, organisations outside the Civil Service gain a useful insight into the workings of central government.

Assessment**SAQ 10.1 (tests Learning Outcome 10.1)**

Audu tells you he is working in the civil service. What do you understand civil service to be?

SAQ 10.2 (tests Learning Outcome 10.2)

Audu, who works in the Ministry of Education, goes for an assignment at the Ministry of Agriculture. What is this movement called in civil service? Explain.

Resources**Articulate Presentation**

This is a complimentary resource to facilitate the quick delivery of this session. It is available in your course pack (Schoolboard disc / online page), and also linked here.

Schoolboard

Access your schoolboard app, or visit www.schoolboard.edutechportal.org/introductiontomicroeconomics to access updated online activities and resources related to the units of this Study Session.

Study Session 11

Globalization of Economic Activities

INTRODUCTION

In this study session, you will be examining the globalization of economic activities. You will begin by discussing the different views on globalization. You will also go further by describing semi-globalization. Moving on, you will evaluate the strategic roles of culture in the global world. You will also consider dimensions of culture and globalization strategy. Likewise will discuss the intercultural management. Lastly, you will highlight the different categories of world's culture.

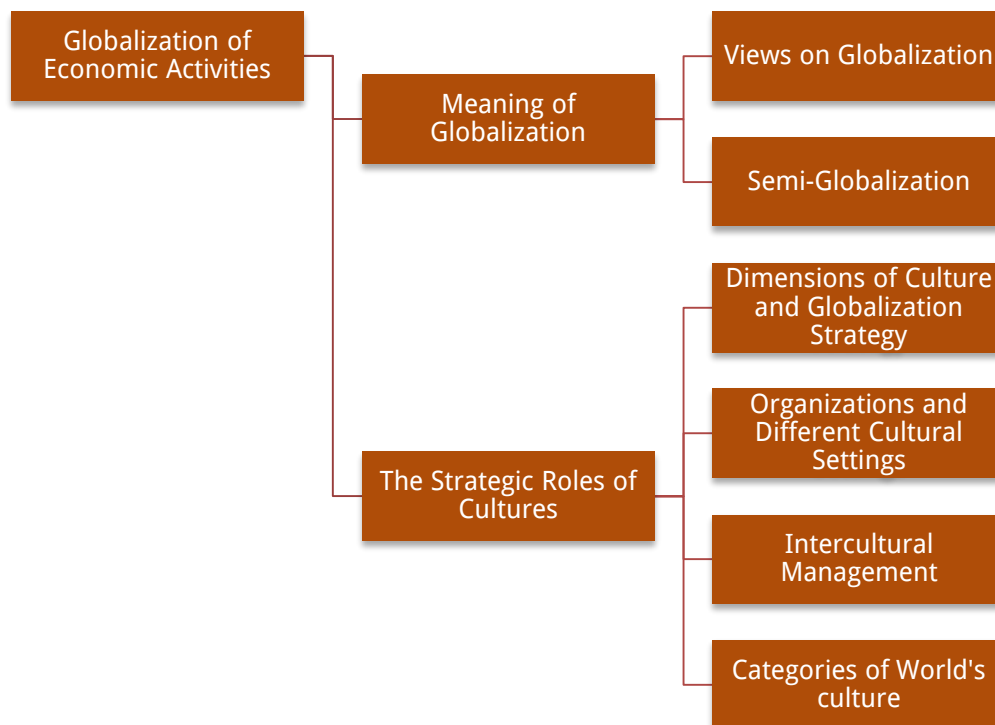
Learning Outcomes

When you have studied this session, you should be able to:

11.1 *explain* globalization

11.2 *describe* the strategic role of culture

Session Preview



Study Session Duration

This Study Session requires a one hour of formal study time. You may spend an additional two hours for revision.

Terminologies

Globalization	The process by which businesses or other organizations develop international influence or start operating on an international scale.
Culture	The arts and other manifestations of human intellectual achievement regarded collectively.
Individualism	A social theory favoring freedom of action for individuals over collective or state control.
Collectivism	The practice or principle of giving a group priority over each individual in it.
Masculinity	A set of attributes, behaviors and roles generally associated with boys and men.
Organization	An organized group of people with a particular purpose, such as a business or government department.

11.1 MEANING OF GLOBALIZATION

Globalization

A process of interaction and integration among the people, companies, and governments of different nations, a process driven by international trade and investment and aided by information technology.

Globalization can be defined as the process of international integration arising from the interchange of worldviews, products, ideas, and other aspects of culture. It is a process that increases world-wide exchanges of national and cultural resources. The term globalization has been in increasing use since the mid-1980s and especially since the mid-1990s. In 2000, the International Monetary Fund (IMF) identified four basic aspects of globalization: trade and transactions, capital and investment movements, migration and movement of people and the dissemination of knowledge. Further, environmental challenges such as climate change, cross-boundary water and air pollution, and over-fishing of the ocean are linked with globalization. Globalizing processes affect and are affected by business and work organization, economics, socio-cultural resources, and the natural environment. Critics argue that globalization undermines wages in rich countries, exploits workers in poor countries, and gives multinational enterprises (MNEs) too much power. Three views on globalization are illustrated in the next subtopic.

11.1.1 VIEWS ON GLOBALIZATION

Depending on what sources you read, globalization could be:

1. A new force sweeping through the world in recent times
2. A long-run historical evolution since the dawn of human history
3. A pendulum that swings from one extreme to another from time to time

An understanding of these views helps put things in perspective. First, opponents of

globalization suggest that globalization is a new phenomenon since the late 20th century, driven by both the recent technological innovations and Western hypocrisy designed for MNEs to exploit and dominate the world. While presenting few clearly worked-out alternatives to the present economic order, other than an ideal world free of environmental stress, social injustice, and branded, pundits of this view nevertheless often argue that globalization needs to be slowed down if not stopped. Most anti-globalization protesters seem to share this view. A second view contends that globalization has always been part and parcel of human history. Historians are debating whether globalization started 2,000 or 8,000 years ago. MNEs existed for more than two millennia, with their earliest traces discovered in the Assyrian, Phoenician, and Roman empires. International competition from low-cost countries is nothing new. In the first century AD, so concerned was the Roman emperor Tiberius about the massive quantity of low-cost Chinese silk imports that he imposed the world's first known import quota of textiles. Today's most successful MNEs do not come close to wielding the historical clout of some MNEs such as Britain's East India Company during colonial times. In a nutshell, globalization is nothing new and will always march on. A third view suggests that globalization is the "closer integration of the countries and peoples of the world, which has been brought about by the enormous reduction of the costs of transportation and communication, and the breaking down of artificial barriers to the flows of goods, services, capital, knowledge, and (to a lesser extent) people across borders." Globalization is neither recent nor one-directional. It is, more accurately, a process similar to the swing of a pendulum. This notion of globalization probably makes the most sense because it helps us understand the ups and downs of globalization.

SELF-CHECK

Question

- The process of international integration arising from the interchange of worldviews, products, ideas and other aspects of culture is referred to as _____.

Feedback

- Globalization can be defined as the process of international integration arising from the interchange of worldviews, products, ideas, and other aspects of culture.

11.1.2 SEMI-GLOBALIZATION

Most measures of market integration (such as trade and FDI) have recently scaled new heights but still fall far short of complete globalization. In other words, what we have may be labelled semi-globalization, which is more complex than extremes of total isolation and total globalization. Semi-globalization suggests that barriers to market integration at borders are high, but not high enough to completely insulate countries from each other. Semi-globalization calls for more than one way of doing business around the globe. Total isolation on a nation-state basis would suggest a localization strategy (treating each country as a unique market), and total globalization would lead to a standardization strategy (treating the entire world as one market—"one size fits all"). However, there is no single right strategy in the world of semi-globalization, resulting in

a wide variety of experimentations. Overall, (semi)globalization is neither to be opposed as a menace nor to be celebrated as a panacea; it is to be engaged.

11.2 THE STRATEGIC ROLE OF CULTURES

Culture

A way of life of a group of people--the behaviors, beliefs, values, and symbols that they accept, generally without thinking about them, and that are passed along by communication and imitation from one generation to the next.

Individualism

A view that stresses the importance and worth of each person.

Collectivism

A political or economic theory advocating collective control especially over production and distribution.

Masculinity

An aspirational and normative style of being and living as a natural-born man that a critical mass of the members of that population applaud.

Globalization is affected by different cultural settings. An understanding of the complexity and diversity of this environmental variable and the impact on institutions is very important. **Culture** can be defined as the collective programming of the mind which distinguishes the members of one group or category of people from that of another. While many ways exist to identify dimensions of culture, the work of the world's foremost cross-cultural expert, Geert Hofstede, a Dutch professor, has become by far the most influential. He and his colleagues have proposed five dimensions: power distance, individualism (and collectivism), masculinity (and femininity), uncertainty avoidance and long-term orientation.

11.2.1 DIMENSIONS OF CULTURE AND GLOBALIZATION STRATEGY

First, power distance is the extent to which less powerful members within a country expect and accept that power is distributed unequally. For example, in high power distance Brazil, the richest 10% of the population receives approximately 50% of the national income, and everybody accepts this as "the way it is." In low power distance Sweden, the richest 10% gets only 22% of the national income. Solicitation of subordinate feedback and participation, widely practiced in low power distance Western countries, is regarded as a sign of weak leadership and low integrity in high power distance countries such as Egypt, India, Mexico, and Russia.

Second, **individualism** refers to the perspective that the identity of an individual is fundamentally his or her own, whereas **collectivism** refers to the idea that the identity of an individual is primarily based on the identity of his or her collective group (such as family, village, or company). In individualistic societies, ties between individuals are relatively loose and individual achievement and freedom are highly valued. In contrast, in collectivist societies (such as many countries in Africa, Asia, and Latin America), ties between individuals are relatively close and collective accomplishments are often sought after. Because entrepreneurs are usually willing to take more risk, individualistic societies tend to foster relatively more entrepreneurship, whereas collectivism may result in relatively lower levels of entrepreneurship.

Third, the **masculinity** versus femininity dimension refers to sex role differentiation. In every traditional society, men tend to have occupations that reward assertiveness, such as politicians, soldiers, and executives. Women, on the other hand, usually work in caring professions such as teachers and nurses in addition to being homemakers. High masculinity societies (led by Japan) continue to maintain such a sharp role differentiation along gender lines. In low masculinity societies (led by Sweden), women increasingly become politicians, scientists, and soldiers and men frequently assume the role of nurses, teachers, and househusbands. The stereotypical manager in masculine societies is assertive, decisive, and 'aggressive' (only in masculine societies does this word carry a positive connotation), whereas the stylized manager in feminine societies

is less visible, intuitive rather than decisive, and accustomed to seeking consensus.

SELF-CHECK

Question (True/False)

- The idea that the identity of an individual is primarily based on the identity of his or her collective group (such as family, village, or company) is referred to as individualism.

Feedback

- This statement is false. Individualism refers to the perspective that the identity of an individual is fundamentally his or her own, whereas collectivism refers to the idea that the identity of an individual is primarily based on the identity of his or her collective group (such as family, village, or company).

Fourth, uncertainty avoidance refers to the extent to which members in different cultures accept ambiguous situations and tolerate uncertainty. Members of high uncertainty avoidance cultures (led by Greece) place a premium on job security, career patterns, and retirement benefits. They also tend to resist change, which, by definition, is uncertain. Low uncertainty avoidance cultures (led by Singapore) are characterized by a greater willingness to take risk and less resistance to change. Managers in low uncertainty avoidance countries (such as Great Britain) rely more on experience and training, whereas managers in high uncertainty avoidance countries (such as China) rely more on rules and procedures.

Finally, long-term orientation emphasizes perseverance and savings for future betterment. China, which has the world's longest continuous written history of approximately 5,000 years and the highest contemporary savings rate, leads the pack. On the other hand, members of short-term orientation societies (led by Pakistan) prefer quick results and instant gratification. Cultures with a long-term orientation are likely to nurture firms with long horizons in strategic planning.

11.2.2 ORGANIZATIONS AND DIFFERENT CULTURAL SETTINGS

All organizations have some function to perform in order to achieve the objectives of which they were established to provide. Organizations enable objectives to be achieved that could not be achieved by an individual effort with team work (cooperative action). Members of an organization can provide a synergistic effect. There are different types of organizations set up to serve different purposes in order to meet several needs. They come in all forms, shapes and sizes – enterprises like hotel, school, shops, hospital, banks, government offices etc. The structure, management and functions of these organizations vary in the nature and types of the organization, their respective goals and objectives and the behaviour of the human resources in them. It is worthy of note that our society is influenced by leaders and managers in organizations – as the care of educated people in public/private schools, purchase of products and services from organizations and the influence of various government agencies which are

Organization

A social unit of people that is structured and managed to meet a need or to pursue collective goals.

organizations. That is, an **organization** is defined as a group of people working together in a structural and coordinated faction to achieve a set of goals. The goals may include such things as profit, the discovery of knowledge, national defence, the coordination of various local charities or social satisfaction (Enikanselu & Oyende 2009). Furthermore, they quoted that organizations are made up of individuals who work together to achieve the goals or objectives that are important to these individuals. Despite the differences among various organizations and their goals, there are however, three common factors that introduce management of organization through cultural settings (Enikanselu & Oyende 2009). They are people, objectives and structure.

11.2.3 INTERCULTURAL MANAGEMENT

Inter-cultural management is the combination of knowledge, insights and skills which are necessary for adequately dealing with national and regional cultures and differences between cultures at the several management level (W. Burggraaf). This is evidence in Nigeria where ethnicity abound; spelling out people with different cultural and traditional background coming together to form a nation. For example the method of greetings differ from one culture to the other. While some genuflect, others kneel and lie-down. When others from a different culture do not perform these gestures because it is not their custom it is regarded as insubordination or not being loyal. It takes time to adjust and it is incumbent on the manager to understand this difference or grievous decision will be taken on the subordinate.

11.2.4 CATEGORIES OF WORLD'S CULTURES**Linear Activities**

These categories of culture are those who play schedule, organize, pursue action chains, and do one thing at a time. The Germans and Swiss are in this group.

Multi-Actives

These are those lively, loquacious peoples who do many things at once. Planning their activities not according to a time schedule but according to the relative thrill or importance that each appointment brings with it. Italians, Latin- Americans and Arabs belong to this group.

Reactive

These are those cultures that prioritize courtesy and respect, listening quietly and calmly to their speakers and reacting carefully to the other side's proposals. Chinese, Japanese and Finns are in this group.

In advanced cultural nations like Nigeria, one can attribute each of the geo-political zone (North east & North West, South West, North central and South East/South South) to one or more of the quality above as behavioural pattern will express.

Session Review

11.1 explain globalization

Culture is the collective programming of the mind that distinguishes the members of one group or category of people from another. According to Hofstede, national cultures have five dimensions: power distance, individualism/collectivism, masculinity/femininity, uncertainty avoidance, and long-term orientation. Each has some significant bearing on strategic choices.

11.2 describe the strategic role of culture

Culture is the collective programming of the mind that distinguishes the members of one group or category of people from another. According to Hofstede, national cultures have five dimensions: power distance, individualism/collectivism, masculinity/femininity, uncertainty avoidance, and long-term orientation. Each has some significant bearing on strategic choices.

Assessment

SAQ 11.1 (tests Learning Outcome 11.1)

Globalization is the process of international integration arising from the interchange of worldviews, products, ideas, and other aspects of culture. What then is Semi-Globalization?

SAQ 13.2 (tests Learning Outcome 13.2)

What are the dimensions of culture as proposed by Geert Hofstede?

Resources

Articulate Presentation

This is a complimentary resource to facilitate the quick delivery of this session. It is available in your course pack (Schoolboard disc / online page), and also linked here.

Schoolboard

Access your schoolboard app, or visit www.schoolboard.edutechportal.org/introductiontomicroeconomics to access updated online activities and resources related to the units of this Study Session.

Study Session 12

ICT and Organizations

INTRODUCTION

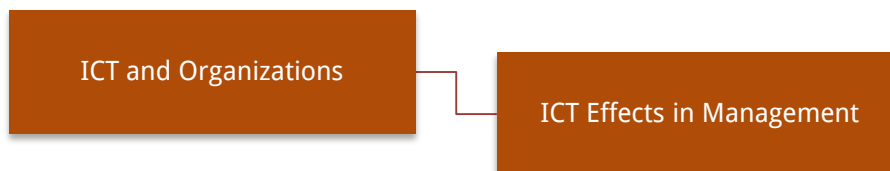
In this study session, you will examine the roles of Information and Communication Technology in organizational structures. Management has evolved over these years and in this 21 century ICT (Information Communication and Technology) has come into play to drive globalization in management and business.

Learning Outcomes

When you have studied this session, you should be able to:

12.1 *discuss* the effect of ICT on management

Session Preview



Study Session Duration

This Study Session requires a one hour of formal study time. You may spend an additional two hours for revision.

Terminologies

Communication	The act of conveying intended meanings from one entity or group to another through the use of mutually understood signs and semiotic rules.
Information and communication technology	An extended term for information technology (IT) which stresses the role of unified communications and the integration of telecommunications (telephone lines and wireless signals), computers as well as necessary enterprise software, middleware, storage, and audio-visual systems, which enable users to access, store, transmit, and manipulate information.

12.1 ICT EFFECT IN MANAGEMENT

Communication

The act of conveying intended meanings from one entity or group to another through the use of mutually understood signs and semiotic rules.

Information and communication technology

An extended term for information technology (IT) which stresses the role of unified communications and the integration of telecommunications (telephone lines and wireless signals), computers as well as necessary enterprise software, middleware, storage, and audio-visual systems, which enable users to access, store, transmit, and manipulate information.

According to Murgatroyd and Morgan (1994) “The key to success is **communication**”. Communication (ICT) and the development of a culture is dedicated to making vision a reality through actively pursuing a focused strategy dedicated to meeting and exceeding customer needs. According to Oxford Advanced learner’s Dictionary, ICT is the study of the use of computers, the internet, video and other technology as a subject. Communication is essential for the existence of societies and organizations as an instrument of social interaction. Just like every other spheres of life, management has acquired a radically new flavour in the 21st century. **The Information and Communication Technology** (ICT) revolution has transformed the ways in which ideas and information are recorded and communicated within inter-Management organization.

Information and Communication Technology (ICT) is the pivot of modern government (organization and Management). There is increasing usage of computer technology in organizations. This is a major component of the information age. The effect in management is so pronounced that computer networks have been used to work more closely with supplies and customers (Inter). The information age has led to the development of new delivery channels, like internet services with the organization (intra) (Fagbemi 2006). The adoption of this ICT led to convenient and efficient ways for citizens and businesses to communicate within organization and to receive services. The amount of paper work in organizing business has reduced, thus giving way to ‘paperless’ organization. That is the use of computer whereby information can be passed both within (intra) and outside (inter) the organizations without using much paper.

SELF-CHECK

Question

- _____ is key to a successful organization.

Feedback

- The key to success in any organization is communication. Communication helps organization to interact among themselves and customers. This interaction is important for the sustainability of any organization.

In fact computer has profound effect on the practice of management. It has made possible more efficient information processing and problem solving in business and other organizations and has been highly instrumental in advancing management knowledge. Information Communication Technology (ICT) is increasingly becoming the key to national economic management, affecting virtually every industry and service. It is difficult to name a business that does not depend on the effective use of information. The designing of product and services tracking and responding to market demands and or making a well-informed decisions depend on ICT. It has changed the world more permanently than any other technology in history and will transform civilization so far. Environmental trends like globalization and heightened international

network and competition are speeding the movement forward increased ICT use in originations.

Session Review

12.1 Discuss the effect of ICT in management

Information and Communication Technology (ICT) revolution has transformed the ways in which ideas and information are recorded and communicated within inter-Management organization. It is the pivot of modern government (organization and Management). There is increasing usage of computer technology in organizations. This is a major component of the information age. The effect in management is so pronounced that computer networks have been used to work more closely with supplies and customers (Inter). The information age has led to the development of new delivery channels, like internet services, with other organization (intra).

Assessment

SAQ 12.1 (tests Learning Outcome 12.1)

Information and communication technology (ICT) has helped many companies improve the ways they do business. In your own words, discuss how you think ICT has been able to achieve this.

Resources

Articulate Presentation

This is a complimentary resource to facilitate the quick delivery of this session. It is available in your course pack (Schoolboard disc / online page), and also linked here.

Schoolboard

Access your schoolboard app, or visit www.schoolboard.edutechportal.org/introductiontomicroeconomics to access updated online activities and resources related to the units of this Study Session.

Feedback to SAQ Items



SAQ 1.1

Comparative management can be defined as the area of study dealing with differences and similarities of managerial systems and management practices in different cultural settings.

SAQ 1.2

Organization can take the form of organization of materials, organization of human resources, and organization of ideas and principles as discussed below:

1. **Organization of materials:** This encapsulates organization of building, campus, grounds and accommodation. This implies arrangement of each physical facility in such a way that each item can be most efficiently used and no wastage takes place. Equipment will be proportional to the number of people to be served.
2. **Organization of Human Resources:** This involves organization of human factors, board of management and workers. It is organization and mobilization of all the persons who are legally or legitimately concerned and interested in a firm. This includes each member contributing his best in the common activity and collective responsibility. Organizational members have to participate in the activity in conformity with planned purpose and well thought out procedure.
3. **Organization of Ideas and Principles:** We can also organize our ideas and principles. This embraces the art of cementing desirable ideas and principles, such as, norms of achievement, rules and regulations, policy formulation, and administration, and working out of innovations and institutional programmes for improvements and reforms.

SAQ 2.1

The universalistic theory of management claim that the phenomena of management and organization are subject to the same universal laws everywhere in the world. Universalistic theory posits that this relationship is valid everywhere in the world because it is based on fundamental characteristics of human behaviour. Universalistic theory tend to predict that cross-national differences in management and organization, in so far as they exist, will disappear in the future.

SAQ 2.2

The particularistic theory of management predicts that cross-national differences in management and organization will persist. The reason is that management and organization reflect expectations and preferences that differ between countries.

SAQ 3.1

The emic approach emphasizes the need for understand social systems from the inside and through the definitions of their members. It attempts to analyze the internal coherence of single examples and condemns any attempt at classification across cultures as denying the uniqueness of each culture.

SAQ 3.2

The ecological fallacy is committed when conclusions concerning individuals are drawn from higher level data. The reverse ecological fallacy implies that conclusions regarding cultures are drawn from individual-level data.

SAQ 4.1

The UK manufacturing work systems are characterized by many vertically and horizontally specialized hobs, and factories are peopled by low-skilled production workers doing repetitive tasks with little authority. Skilled craft workers in the UK factories have a low division of labour with a high degree of discretion; while Job classifications are kept simple and broad in Japanese firms, with most factory production workers, for example, falling within a single classification. Job descriptions, if they exist at all, are typically short and couched in vague terms. Detailed job titles, formal job descriptions, and job-related criteria for pay and advancement have been conspicuously absent from Japanese employment practices, whereas job rotation and extensive cross-training are the rule.

SAQ 4.2

The contingency theory of organization explains organization structures, that is, the structuring of activities and centralization, largely with reference to the size, technology and task environment of organizations. This approach has been criticized in particular for the fact that it ignores the effect of societal variables.

SAQ 5.1

The followings are the results of the research carried out on comparative management:

1. There is no one way of doing things.
2. There is no universal applicability of either authoritarian or participating democratic management styles.
3. More objective measures are brought to bear in making managerial decisions with respect to compensation, objectives, goal setting, etc.,
4. In the developed countries; subjective judgment (emotions, religious beliefs) often enters the decision making processes in the developing countries.
5. There are similarities and differences among the managers around the world.

SAQ 6.1

As a public sector manager, the following are a list of the required skills to achieve a set goal:

1. **PLANNING SKILL:** The aspect of planning is considered an important management skill. In a public organization, it is important for the head to be able to plan his/her activities, which would be deemed fit for the success of the organization in the chosen area.
2. **ORGANIZING SKILL:** In a public sector setting, the manager/ administrator should be able to organize teams, tasks, and projects in other to get the team to work efficiently and to get the work done in the most effective manner.
3. **DIRECTING SKILL:** Directing is the action step. Manager have planned and organized the work. Now the manager has to direct its team to get the work done. The manager starts by making sure the goal is clear to everyone on the team.
4. **CONTROLLING SKILL:** Some writers try to "soften" this skill by calling it "coordinate". But it is better to call it what it meant to be called which is control, because it is essential that the manager be able to control the team's activities.
5. **PERSONAL MANAGEMENT SKILLS:** The manager must exhibit the mastery of personal skills in other to be successful in achieving the set goal.
6. **LEADERSHIP SKILLS:** The leadership skill is the ability to lead a group of people or team

within an institution to achieve a desired goal. There's a difference between managers and leaders. Leadership is intangible - a charismatic component that some people have and others simply do not. While management is a career, leadership is a calling.

SAQ 6.2

The technical skills are an important aspect in the private sector. This type of skill is necessary because management activities is more practical and technical in nature. Management is a practical subject, which aims to have an impact on the real world. Here we are talking about knowledge of product technology, marketing techniques, engineering, accountancy, knowledge of relevant legislation, knowledge of basic management principles and theories which aims to help the practitioner with 'best practice' in planning, organizing and controlling.

SAQ 7.1

Organizational structure refers to how the management and employees in a business make decisions and perform required tasks. For a business to succeed and grow, there must be a fit between its organizational structure and the industry in which it operates.

SAQ 7.2

The following are a few disadvantages of Organizational structure:

1. **NEW MANAGEMENT:** If there has not been changes in management for many years, then the company will start to settle into a way of doing things that is efficient and comfortable for the existing management team. Changes in management, for whatever reason, can put strain on the organizational structure of an organization. The new manager, or managers, may be unfamiliar with the way the organizational structure has been run for years and try to put a new spin on how things should be run.
2. **CONFUSION:** Effective communication is required to keep an organizational structure running smoothly. Without communication, new ideas and processes can get confused. Managers may begin to redouble efforts in an attempt to claim certain parts of a process as their own. This is why executive communication to the rest of the company is critical to the success of any organizational structure.
3. **COMPANY GOALS:** An organizational structure is only effective when the entire company uses it properly. When upper management creates departmental goals for the rest of the company without first consulting with the managers of those departments, the company runs the risk of not making its goals. In order for an organizational structure to be effective, goal-making needs to be a two-way process. When upper management does not seek the input of the rest of the company to create company goals, then resentment can set in and morale begins to drop.

SAQ 8.1

Globalization has influenced Human Resources Management in such a way that the traditional role of execution of Strategies by human resource management has extended to the formulation of strategies with top management both in the public and private sector. Globalization has brought about, more competition which has led to more performance and most employers are pursuing improved performance. This situation has made human resource management's knowledge and expertise crucial to the strategy formulation process.

SAQ 8.2

Formulating a strategic plan requires identifying, analysing, and balancing the company's external

opportunities and threats on one hand and its internal strength and weaknesses on the other hand. These strategic plans capitalize on the firm's strengths and opportunities and minimize or neutralize its threats and weaknesses.

Strategy Execution is traditionally the heart of the human resource manager's strategic job. Top management formulates the company's corporate and competitive strategies. Then the human resource manager designs the strategies, the policies and practices that make sense in terms of the company's corporate and competitive strategies.

SAQ 9.1

The following are the brief history of Nigeria National Petroleum Company and Nigerian Port Authority

1. Nigeria National Petroleum Company: NNPC was established on April 1, 1977 as a merger of the Nigerian National Oil Corporation and the Federal Ministry of Mines and Steel. NNPC by law manages the joint venture between the Nigerian Federal Government and a number of foreign multinational corporations, which include Royal Dutch Shell, Agip, ExxonMobil, Chevron, and Texaco (now merged with Chevron). Through collaboration with these companies, the Nigerian government conducts petroleum exploration and production.
2. Ports Authority (NPA): The history of sea port development in Nigeria dates back to the mid-19th century, following the adventures of early explorers on the West African Coast and the international trade which resulted. Initial efforts consisted of opening up the entrance to the Lagos Lagoon and the provision of facilities for oceangoing vessels, the mainstreamer SS Akoko entered the new Lagos Harbour. Two months later the Customs Wharf on Lagos Island was opened, and not long after Apapa and Port-Harcourt were added to the network of ports. The establishment of the Nigerian Ports Authority in 1954 brought a new impetus in the development of Nigerian sea ports. The organisation made remarkable progress and in line with government's efforts to improve the services and revenue yielding potentials of the organisation, the activities of Nigerian Ports were commercialised in 1992 under the name, "Nigerian Ports Plc". However, considering the fact that the company is still wholly owned by the government, it reverted to its former name, Nigerian Ports Authority in October 1996.

SAQ 9.2

Management consulting is an independent professional advisory service assisting managers and organizations to achieve organizational purposes and objectives by solving management and business problems, identifying and seizing new opportunities, enhancing learning, and implementing changes.

SAQ 10.1

Civil service is an employment system that is based on hiring, retaining and promoting employees on their qualifications and ability to the work. Specifically, civil service has been described as an institution which has the pivotal role of carrying out (and advising on) government policies. The civil Service Handbook (1997.17) is more emphatic. Civil servants according to the Handbook command a pool of experience and know-how for implementing government policies. It recognises that while the civil service is the instrument of the government of the day, the service and its members are not permitted under the law to be partisan of any political party.

SAQ 10.2

The term is referred to as "interchange" and it covers a variety of activities. Two of these are:

LOANS

If a civil servant moves to work in a different government department or agency, s/he is usually paid by the host department and is subject to the terms and conditions of the host department while working there.

This is a loan.

SECONDMENT

If a civil servant moves to work outside the Civil Service (for example, to the wider public sector, industry or a charity), the usual arrangement is for the parent department to continue to pay the salary, but to recoup it from the host organisation. This is a secondment. The two organisations agree what terms and conditions apply, but these should usually be at least as favourable as in the Civil Service.

SAQ 11.1

Semi-globalization suggests that barriers to market integration at borders are high, but not high enough to completely insulate countries from each other. Semi-globalization calls for more than one way of doing business around the globe. Total isolation on a nation-state basis would suggest a localization strategy (treating each country as a unique market), and total globalization would lead to a standardization strategy (treating the entire world as one market—"one size fits all"). However, there is no single right strategy in the world of semi-globalization, resulting in a wide variety of experimentations. Overall, (semi)globalization is neither to be opposed as a menace nor to be celebrated as a panacea; it is to be engaged.

SAQ 11.2

The five dimensions of culture as proposed by Geert Hofstede are:

- i. power distance
- ii. individualism (and collectivism)
- iii. masculinity (and femininity)
- iv. uncertainty avoidance
- v. long-term orientation.

SAQ 12.1

There are many ways through which Information and Communication technology has helped organization improve the way of doing business. A few of these are discussed below:

- i. ICT is dedicated to making vision a reality through actively pursuing a focused strategy dedicated to meeting and exceeding customer needs.
- ii. It helps in the existence of societies and organizations as an instrument of social interaction.
- iii. It has improved the ways in which ideas and information are recorded and communicated within inter-Management organization.
- iv. ICT help organizations use computer networks to work more closely with supplies and customers.
- v. It led to the development of new delivery channels, like internet services, with other organization.
- vi. ICT led to convenient and efficient ways for citizens and businesses to communicate within the organizations and to receive services.
- vii. Through ICT, the amount of paper work in organizing business has reduced, thus giving way to 'paperless' organization.
- viii. It has made possible more efficient information processing and problem solving in business and other organizations and has been highly instrumental in advancing management knowledge.
- ix. Information Communication Technology (ICT) is increasingly becoming the key to

national economic management, affecting virtually every industry and service.

Glossary of Terms

Comparative management The study and analysis of how management differs in various environments. 10

Management Consists of the interlocking functions of creating corporate policy and organizing, planning, controlling, and directing an organization's resources in order to achieve the objectives of that policy. 10

Administration The arrangements and tasks needed to control the operation of a plan or organization. 10

Organization An organized group of people with a particular purpose, such as a business or government department. 10

Comparative management Analyzes the extent to which management principles are applicable from one country to another. 11

Management The organization and coordination of the activities of a business in order to achieve defined objectives. 11

Administration The act or process of administering, especially the management of a government or large institution. 12

Organization An entity comprising multiple people, such as an institution or an association, that has a collective goal and is linked to an external environment. 13

Universalist theory Believes that certain management principles are fundamental and can be transferred to any organized form of human activity. 17

Globalization The process by which businesses or other organizations develop international influence or start operating on an international scale. 17

Contingency approach A management theory that suggests the most appropriate style of management is dependent on the context of the situation and that adopting a single, rigid style is inefficient in the long term. 18

Particularistic theory States that, in management, the cross-national differences will continue. 18

Universalistic theory Claims that the phenomena of management and organization are subject to the same universal laws everywhere in the world. 18

Globalization A process of interaction and integration among the people, companies, and governments of different nations, a process driven by international trade and investment and aided by information technology. 18

Particularistic theory States that, in management, the cross-national differences will continue. 19

Emic approach The research participants' words and perspectives are the starting point, and it is an insider, or bottom-up, approach. 22

Ethic approach Shifts the focus from local observations, categories, explanations, and interpretations to those of the anthropologist. 22

Nomothetic theory Offers an approach based upon the identification and measurement of characteristics through psychometric tests. 22

Ecological fallacy A logical fallacy in the interpretation of statistical data where inferences about the nature of individuals are deduced from inference for the group to which those individuals belong. 22

Reverse ecological fallacy Occurs when you reach a group conclusion on the basis of exceptional cases. 22

Ethic approach In the etic method theories, concepts and ideas are studied, and it is an outsider, or top-down, approach. 23

- Nomothetic theories** Offers an approach to the study of personality based upon the identification and measurement of characteristics. 23
- Emic approach** Investigates how local perceive and categorize the world, their rules for behavior, what has meaning for them, and how they imagine and explain things. 23
- Idiographic** Reverse ecological fallacy 25
- Occurs when individual measurements are generalized to a group. 25
- Ecological fallacy** Occurs when you make conclusions about individuals based only on analyses of group data. 25
- Job design** A core function of human resource management and it is related to the specification of contents, methods and relationship of jobs in order to satisfy technological and organizational requirements as well as the social and personal requirements of the job holder. 30
- Job description** A broad, general, and written statement of a specific job, based on the findings of a job analysis. 30
- Job classification** A system for objectively and accurately defining and evaluating the duties, responsibilities, tasks, and authority level of a job. 30
- Vocational training** Training which aims to equip people with knowledge, know-how, skills and/or competences required in particular occupations or more broadly on the labour market. 30
- Recruitment** The process of finding and hiring the best-qualified candidate (from within or outside of an organization) for a job opening, in a timely and cost effective manner. 30
- Personnel** The methodical process used to hire (or, less commonly, promote) individuals. 30
- Curriculum vitae** A brief account of a person's education, qualifications, and previous occupations, typically sent with a job application. 30
- Psychometric testing** Refers to the process of measuring a candidate's relevant strengths and weaknesses. 30
- Job design** Work arrangement (or rearrangement) aimed at reducing or overcoming job dissatisfaction and employee alienation arising from repetitive and mechanistic tasks. 31
- Job description** A formal account of an employee's responsibilities. 31
- Job classification** A scheme of classifying a job according to the current responsibilities and duties associated with the job. 31
- Vocational training** Training that emphasizes skills and knowledge required for a particular job function (such as typing or data entry) or a trade . 31
- Recruitment** The overall process of attracting, selecting and appointing suitable candidates for jobs (either permanent or temporary) within an organization. 32
- Personnel selection** The methodical placement of individuals into jobs. 33
- Curriculum vitae** A written overview of a person's experience and other qualifications for a job opportunity. 33
- Psychometric tests** Scientific means of identifying and measuring a person's cognitive abilities and behavioral characteristics. 33
- Intercultural management** Involves managing work teams in ways that considers the differences in cultures, practices and preferences of consumers in a global or international business context. 35
- Ethnocentricity** Refers to a belief that your culture or ethnic group is superior to another's. 35
- Polycentric** The view that employees in the host country (the foreign country in which the organization is doing business) know the best work approaches and practices for running their business. 36
- Geometric** People are viewed in the context of how well they can accomplish a particular job or task rather than on the basis of their home country. 36
- Intercultural management 36
- Ethnocentrism** 36

Polycentric approach The international recruitment method wherein the HR recruits the personnel for the international businesses. 37

Geocentric approach A method of international recruitment where the HR hire the most suitable person for the job irrespective of their Nationality. 37

Public sector The part of the economy concerned with providing various governmental services. 41

Planning A management process, concerned with defining goals for company's future direction and determining on the missions and resources to achieve those targets. 41

Manager A person responsible for controlling or administering an organization or group of staff. 41

Administrator A person responsible for carrying out the administration of a business or organization. 41

Leadership skills An essential component in positioning executives to make thoughtful decisions about their organization's mission and goals, and properly allocate resources to achieve those directives. 41

Technical skills The knowledge and abilities needed to accomplish mathematical, engineering, scientific or computer-related duties, as well as other specific tasks relating to technology. 41

Personal values People's internal conception of what is good, beneficial, important, useful, beautiful, desirable, constructive, etc. 41

Cognitive skills The core skills your brain uses to think, read, learn, remember, reason, and pay attention. 41

Organizational politics Informal, unofficial, and sometimes behind-the-scenes efforts to sell ideas, influence an organization, increase power, or achieve other targeted objectives. 41

Public sector The part of national economy providing basic goods or services that are either not, or cannot be, provided by the private sector. 41

Planning A basic management function involving formulation of one or more detailed plans to achieve optimum balance of needs or demands with the available resources. 42

Manager The person responsible for planning and directing the work of a group of individuals, monitoring their work, and taking corrective action when necessary. 42

Administrator Someone whose job is to control the operation of a business, organization, or plan. 42

Technical skills Abilities an individual acquires through practice and learning. 43

Personal values Reflections of our needs, desires, and what we care about most in life. 45

Cognitive skills Brain-based skills we need to carry out any task from the simplest to the most complex. 47

Organizational skills The process of using an informal network to gain power and accomplish tasks to meet a person's wants or needs. 50

Organizational structure How activities such as task allocation, coordination and supervision are directed toward the achievement of organizational aims. 53

Employee turnover Refers to the number or percentage of workers who leave an organization and are replaced by new employees. 53

Enterprise resource planning Business process management software that allows an organization to use a system of integrated applications to manage the business and automate many back office functions related to technology, services and human resources. 53

Effective communication Verbal speech or other methods of relaying information that get a point across. 53

Organizational structure The typically hierarchical arrangement of lines of authority, communications, rights and duties of an organization. 53

Employee turnover A measurement of how long your employees stay with your company and how often you have to replace them. 54

Enterprise resource planning An industry term for the broad set of activities that helps an

organization manage its business. 54

Effective communication Communication that is clearly and successfully delivered, received and understood. 55

Public sector That portion of an economic system that is controlled by national, state or provincial, and local governments. 57

Globalization The process by which businesses or other organizations develop international influence or start operating on an international scale. 57

Public sector The part of national economy providing basic goods or services that are either not, or cannot be, provided by the private sector. 58

Globalization A process of interaction and integration among the people, companies, and governments of different nations, a process driven by international trade and investment and aided by information technology. 58

Joint venture A commercial enterprise undertaken jointly by two or more parties which otherwise retain their distinct identities. 61

Management consultant The practice of helping organizations to improve their performance, operating primarily through the analysis of existing organizational problems and the development of plans for improvement. 61

Financial consultant Someone who specializes in providing financial advice to his or her clients. 61

Litigation consulting The service provided by a trial consulting firm that helps a trial team design, test and deliver a courtroom presentation. 61

Deregulation The reduction or elimination of government power in a particular industry, usually enacted to create more competition within the industry. 61

Joint venture A business arrangement in which two or more parties agree to pool their resources for the purpose of accomplishing a specific task. 63

Financial consultants Professionals who work counseling clients in the use and management of their money, investment options and asset relocation. 66

Human resources The people who make up the workforce of an organization, business sector, or economy. 66

Deregulation The process of removing or reducing state regulations, typically in the economic sphere. 71

Civil service 75

Those branches of public service concerned with all governmental administrative functions outside the armed services. 75

Civil servant A person in the public sector employed for a government department or agency. 75

Ethnicity The fact or state of belonging to a social group that has a common national or cultural tradition. 75

Colonialism The establishment of a colony in one territory by a political power from another territory, and the subsequent maintenance, expansion, and exploitation of that colony. 75

Conflict of interest A situation that has the potential to undermine the impartiality of a person because of the possibility of a clash between the person's self-interest and professional interest or public interest. 75

Civil service Permanent professional branches of a state's administration, excluding military and judicial branches and elected politicians. 75

Civil servant A member of the civil service. 75

Colonialism The policy or practice of acquiring full or partial political control over another country, occupying it with settlers, and exploiting it economically. 76

Conflict of interest A situation in which the concerns or aims of two different parties are incompatible. 79

Globalization The process by which businesses or other organizations develop international

influence or start operating on an international scale. 84

culture The arts and other manifestations of human intellectual achievement regarded collectively. 84

individualism A social theory favoring freedom of action for individuals over collective or state control. 84

Collectivism The practice or principle of giving a group priority over each individual in it. 84

Masculinity A set of attributes, behaviors and roles generally associated with boys and men. 84

Organization An organized group of people with a particular purpose, such as a business or government department. 84

Globalization A process of interaction and integration among the people, companies, and governments of different nations, a process driven by international trade and investment and aided by information technology. 84

Culture A way of life of a group of people--the behaviors, beliefs, values, and symbols that they accept, generally without thinking about them, and that are passed along by communication and imitation from one generation to the next. 86

Individualism A view that stresses the importance and worth of each person. 86

Collectivism A political or economic theory advocating collective control especially over production and distribution. 86

Masculinity An aspirational and normative style of being and living as a natural-born man that a critical mass of the members of that population applaud. 86

Organization A social unit of people that is structured and managed to meet a need or to pursue collective goals. 88

Communication The act of conveying intended meanings from one entity or group to another through the use of mutually understood signs and semiotic rules. 90

Information and communication technology 90

Communication The act of conveying intended meanings from one entity or group to another through the use of mutually understood signs and semiotic rules. 91

Information and communication technology 91

References

- *Baddeley, S. and James, K. (1990) 'Political management: developing the management portfolio', *Journal of Management Development*, Vol. 9, No. 3.
- *Barker, R. (1997) 'How can we train leaders if we do not know what leadership is?', *Human Relations*, Vol. 50, No. 4.
- *Bennis, W. and Nanus, B. (1985) *Leaders: Strategies for Taking Charge*, Harper and Row.
- *Boyatzis, R. (1993) 'Beyond competence: the choice to be a leader', *Human Resource Management Review*, Vol. 3, No. 1.
- *Lindenfield, G. (2000) *Emotional Confidence: Simple Steps to Manage your Feelings*, Harper Collins.
- *Raelin, J. (2003) *Leaderful Organisations: How to Bring Out Leadership in Everyone*, BarrettKoehler.
- *Raelin, J. (2004) 'Don't bother putting leadership into people', *Academy of Management Executive*, Vol. 18,
- *Srivasta, S. (1983) *The Executive Mind*, Jossey-Bass.
- Adams, J. (1988) *The Care and Feeding of Ideas*, Penguin.
- Amble, B. (2000). Institutional Complementary nature and Diversity of Social Systems on Innovation and production. Review of Political Economy, New York, U.S.A.
- Anderson A. (2013) Chron – Small Business Index by Demand Media, USA : Hearst Communication Inc.
- Bamidoro J.A (2005) *Management and Society: Features, Theory and Concept*, Ilorin ,Tim- Sal Nigeria Ltd.
- Barnard, C. (1938) *The Functions of the Executive*, Blackwell.
- Bass, B. (1990) *Bass and Sodgill's Handbook of Leadership*, Free Press.
- Bass, B. (1995) 'The meaning of leadership', in Wren, J. *The Leader Companion: Insights on Leadership through the Ages*, Free Press.
- Beardwell, I. and Holden, L. (2001) *Human Resource Management: A Contemporary Approach*, Ch. 9, Prentice Hall.
- Bell, D. (1973). *The Coming of Post-industrial Society*. New York: Basic Books.
- Bell, D. (1976). *The Cultural Contradictions of Capitalism*. New York; Basic Books.
- Berlin, I. (1979) *Russian Thinkers*, Penguin.
- Boyatzis, R. (1982) *The Competent Manager*, Wiley.
- Bonazzi, G. (1983). Scapegoating in complex organizations. *Organization Studies* , 4(1): 1-18.
- Boyatzis, R., Stubs, E. et. al. (2002) 'Learning cognitive and emotional intelligence competencies through graduate management education', *Academy of Management Learning and Education*, Vol. 1, No. 2. BU.S810 MODULE 1
- Cale E. (2013) Chron – Small Business Index by Demand Media, USA : Hearst Communication Inc.
- Canbäck, S. (1998). *Transaction Cost Theory and Management Consulting* . Henley Management College Working Papers, Washington.
- Carla, I.K. (2005). *Comparative International Management*. The McGraw-Hill Companies
- Casper, S. (2000). Institutional Adaptiveness Technology Policy, and the Diffusion of New Business Models: The Case of German Biotechnology. *Organization Studies*, 887-819.
- Dale, E. (1978) *Management Theory and Practice*, Singapore, Mc Graw-Hill International.
- Department of Justice (2008). "Willbros Group Inc. Enters Deferred Prosecution Agreement and Agrees to Pay \$22 Million Penalty for FCPA Violations". Department of Justice. May 14.

- Drucker, F. P. (1978) *The Frontiers of Management*, London Heinemen Publishers.
- Drucker, P.F.(1979). Why management consultants? In M. Zimer & H. Smiddy (Ed.), *The Evolving Science of Management* : 475-478. New York: AMA COM.
- Executive
- Galbraith, J. K., (1969). *The New Industrial State* Boston: Houghton Mifflin Co, , p 12.
- Hofstede, G. (1993). ‘Cultural Constraints in Management Theories’, *Academy of Management*
- Huntington, S.P. (1996). *The Clash of Civilizations and the Re-making of World Order*.
- Kountz, O. and Donnell, W. (2001) *Management* 12th Edition New
- Kubr, M. (1996). *Management Consulting* . Geneva: International Labour Office.
- Lugard, M. (2010). *Theories and Practice of Administration: A Global View* Express Publishers, Lagos.
- McKenna, C.D. (1995). The origins of modern management consulting. *Business and Economic History* , 24(1): 51-58.
- Mumford, A. (1999) ‘What managers really do’, *Management Education and Development*, Vol. 18.
- Mumford, A. and Gold, J. (2004) *Management Development: Strategies for Action*, CIPD.
- Musikilu, M. (2011). "Monumental Oil Subsidy Fraud And Corruption At The NNPC-The Damning KPMG Report :Premium Times". Sahara Reporters. December 9.
- Nair, K. (1962). *Blossoms in the Dust: The Human Factor in the Indian Development* . New York: Frederick A Praeger. p 190. New York, Simon & Schuster.
- Newman, W. H. (1979). ‘Adopting Transnational Corporate Management to National Interests’, *Columbia Journal of World Business* , Summer, pp. 82-88.
- Pinault, L. (2000). *Consulting Demons* . New York: Harper Business. Wooldridge, A. 1997. *Management Consultancy survey*. *Economist* , 342(Issue 8009): 3-22.
- Polyani, M. (1966) *The Tacit Dimension*, Routledge.
- Pye, A. (2005) ‘Leadership and organising: sense making in action’, *Leadership*, 1(1).
- Rollinson, D. (2002) *Organisational Behaviour and Analysis*, Prentice Hall.
- Russell, B. (1962) *In Praise of Idleness*, Unwin.
- Sadler-Smith, E. (2006) *Learning and Development forManagers*, Blackwell.
- Salaman, G. and Mabey, C. (1995) *Strategic HumanResource Management*, Blackwell.
- Sampson, A. (1973) *ITT: The Sovereign State*, Coronet.
- Simon, H. (1957) *Models of Man*, Wiley.
- Stewart, R. (1985) *The Reality of Management*, Pan.
- Stewart, R. (1994) *Managing Today and Tomorrow*, MacMillan.
- Strauss, A. (1978) *Negotiations*, Jossey-Bassey
- Terpstra, V. (1978). *The Cultural Environment of International Business* [Cincinnati: South Western Publishing Company.
- Terry, G. R. and Franklin, S. G. (1982). *Principles of Management*. Homewood, Illinois: Richard D Irwin. p 526. vol. 7, No.1, pp. 81-94 York, Mc Graw Hill Incorporation