

**PROGRAM:CONSTRUCTION TECHNOLOGY AND
MANAGEMENT**

**PRINCIPLES OF CONSTRUCTION
MANAGEMENT(COTM 2171)**

**CHAPTER-2
General Management basics and organization**

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CONTENTS

- + *Development of management*
- + Basic functions of management and roles of managers

Definition of Management

Management can be defined in many ways;

- ❖ A means of getting things done through **people** in order to achieve objectives.
- ❖ A means of integrating resources (materials, finance, **human resources**, information, etc.,) in order to achieve organizational objectives **efficiently** and **effectively**.
- ❖ A process of planning, organizing, directing and controlling of organizational activities and resources in order to achieve objectives (**Management function**)

General management: major components

- ï Property Management
- ï Production & Distribution Management
- ï Organization Management
- ï Resources Management
- ï Project Management
- ï Strategic Management
- ï Stakeholders (Relationships) Management
- ï Process / Result Management
- ï Information Management
- ï Research & Development (Knowledge)
- ï Performance Management, and
- ï Network Management

The Development of Management

Early development

Å Classify management as applicable to only business or industry related discipline.

Industrial development

Å *Human Resources Management (Robert Owen)*

- ï Limit working hours
- ï Monitoring mechanism to boost productivity

Å *Scientific Management (Charles Babbage)*

- ï Division of labor for development
- ï Observation of operation processes to improve them

Å *Importance & initiatives for Management Training* (Andrew Ure & Charles Duprin)

Classical Development

- Å Henri Fayol:
 - ï **Division of work or labor,**
 - ï **Authority and Responsibility,**
 - ï **Discipline,**
 - ï **Unity of Command,**
 - ï **Unity of Direction,**
 - ï **Subordination of individual interest to the general interest,**
 - ï **Remuneration,**
 - ï **Centralization,**
 - ï **Scalar chain or line of authority,**
 - ï **Order,**
 - ï **Equity,**
 - ï **Stability of tenure of personnel,**
 - ï **Initiative, and**
 - ï **Esprit De Corps or Union is Strength.**

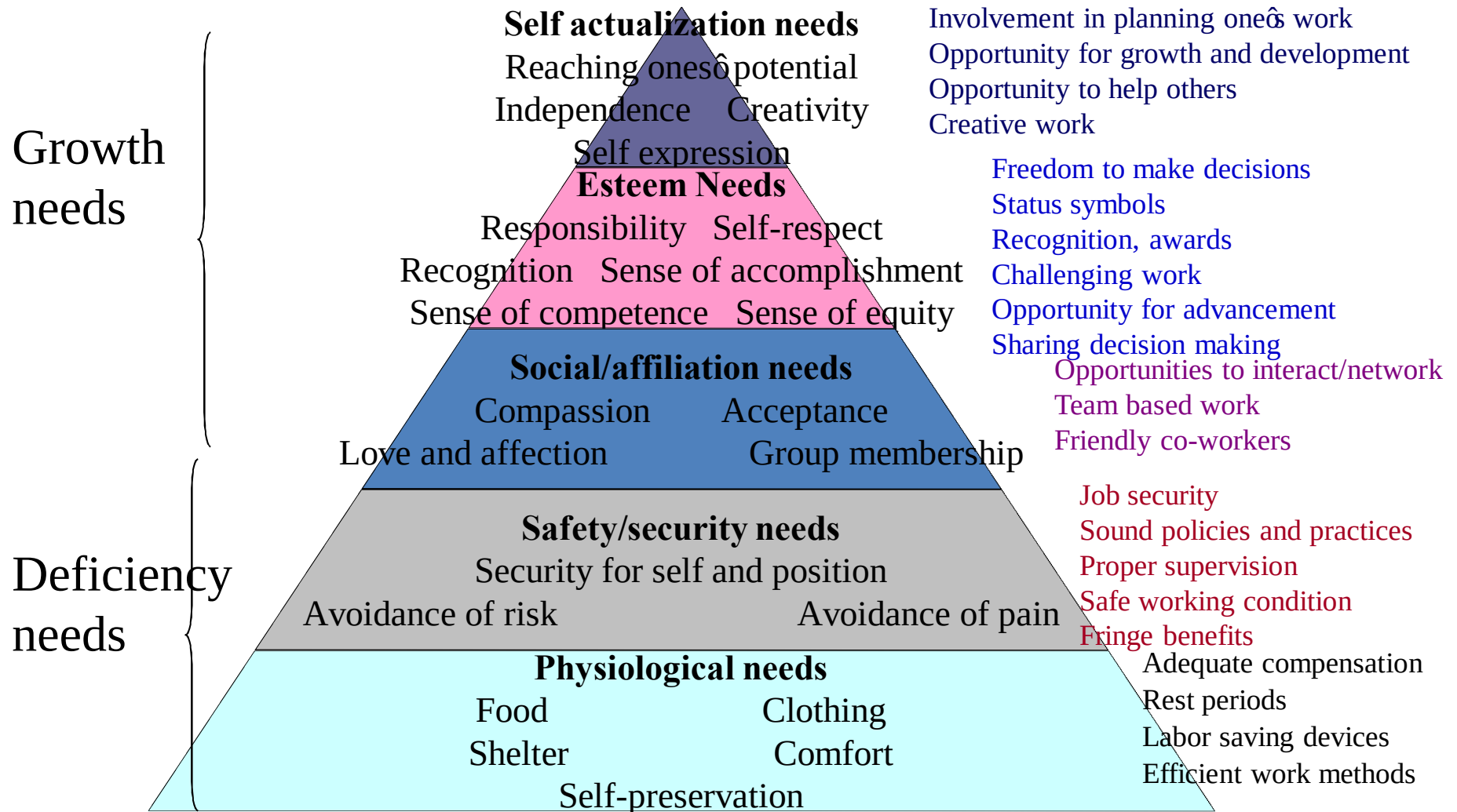
Classical Development

Å Frederick W. Taylor (Father of Scientific Management)

- ï Planning
- ï Organizing
- ï Coordinating (staffing)
- ï Managing (monitoring)

Behavioral Development (Maslow)

➤ Maslow's hierarchy of needs theory



Behavioral Development (McGregor)

Douglas McGregor

Theory X assumption	Theory Y assumption
➤ People inherently dislike work and, whenever possible, will attempt to avoid it ➤ Because employee dislike work, they must be forced or threatened to achieve goals ➤ Employees need direction to perform and avoid responsibility if possible. ➤ Employees do not have a lot of ambition; they are more interested in job security	➤ People are able to view work as natural as rest or play ➤ Employees will direct with themselves toward goal achievement if committed to those goals ➤ Most employees accept responsibility and may of these actively seek it ➤ Employees at all levels are innovate; not only at management level

Quantitative_contributions

Decision making process using mathematics, statistics and other quantitative techniques.

Systems Developments (Theory)

Å a system is a assemblage of interrelated parts that work together by way of some driving process Systems are often visualized or modeled as ***component blocks*** that have ***connections*** drawn between them.

Contingency Theory

Å Situational management

Å Management actions and styles should be dependent upon the circumstances of the situation confronting the manager.

Environmental factors such as public opinion, employee and management attitudes might have impact on the decision making process.

Recent Contributions

New management principles

Å *Total quality management (TQM),*

Å *Management by projects (MBP),*

Å *Business process re-engineering (BPR), Value engineering/ management (VE/ VM), and*

Å *Concurrent engineering (CE).*

Total Quality Management

Å A cooperative form of doing business that relies on the talents and capabilities of labor and management, using teamwork, to continually improve quality, economy and productivity, to complete satisfaction and delight of the customer.

Total Quality Management

Å ISO 9000:2000

- Å Customer focus

- Å Leadership

- Å Involvement of people (Training & Empowerment)

- Å Process approach

- Å Continuous Improvement

- Å Mutual beneficiary supplier relationship

- Å Factual approach to decision making

- Å Systems approach to management

Management by Projects (MBP):

Å Management by projects is a way, an outlook, and an attitude cultivated to treat any trade of work, undertaking, scheme, assignment or a set of activities, as a project.

Business Process Re-engineering

Å rapid thinking,

Å creating new scenario,

Å simplify processes,

Å information technology to reintegrate works,

Å fewer skilled employees, and

Å flatter organization

Value Engineering / Management (VE / VM)

Å Value Engineering is a systematic study of project requirements using a multi-disciplined team to identify and eliminate unnecessary costs and poor performance by using functions.

Concurrent Engineering (CE)

Å A systematic approach to the integrated, concurrent design and their related processes, including manufacturing and support. This approach is intended to cause developers from the outset, to consider all elements of the product life-cycle from conception through disposal including quality, cost, schedule, and user requirements.

Functions of Management

Functions of Managers (Taylor)

ï Planning

Å Establishing goals and standards, developing rules and procedures, developing plans and forecasting

ï Organizing

Å Create an organization structure that facilitates communication, interactions and at the same time shows a clear responsibility and duty.

ï Staffing/ Procuring

Å Type of people to be hired, recruiting prospective employees, selecting employees, setting performance standards, compensating employees, evaluating performance, counseling employees, training and developing employees

ï Leading/Directing

Å Getting others to get the job done, maintaining morale, motivating subordinates and communicating instructions and orders

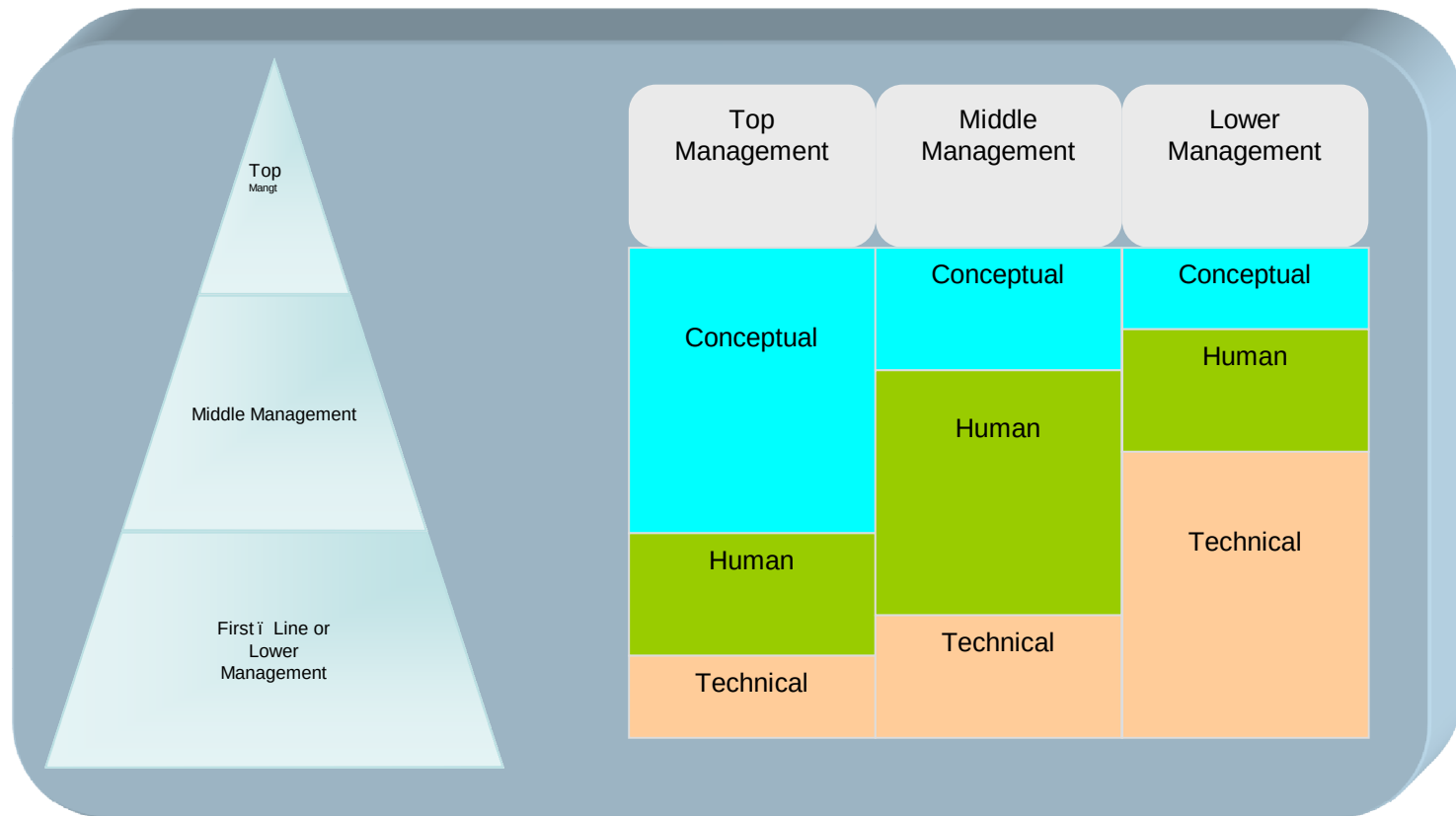
ï Monitoring/Controlling

Å Checking to see how actual performance compares with standards and taking corrective actions as needed

Roles of managers

Interpersonal Roles Figurehead Leadership Liaison	These roles are related to formal authority base of managers. Roles related to ceremonial in nature. Roles related to ensuring achievement of goals. Roles related to communication with internal and external stakeholders to develop favorable relationships and networks.
Informational Roles Monitor Disseminator Spokesperson	These roles are related to availing sufficient information to carryout jobs effectively. Because they are information centers for information and communication source. Roles related to scanning internal and external environments of their organizations for selecting useful information. Roles related to sharing and distributing useful information to employees. Roles related to information communications to external stakeholders.
Decision Roles Entrepreneur Disturbance Handler Resources Allocator Negotiator	These roles are related to processing information to reach conclusions. Roles related to initiating new developments. Roles related to conflict resolution and problem solving. Roles related to distribution and assignment of different resources to projects. Roles related to win comparative & competitive advantages to achieve goals.

Levels of management



Managerial skills



THANK YOU!