Individual Report

During the course I acquire knowledge and skills important for managerial profession. Now I understand that the development of managerial philosophy is the foundation for the goal-setting technique. The management philosophy presented here is not intended to be an ideology but rather an individual philosophy. The reader may agree, disagree, or call in question the discussed. There are some issues the intelligent people disagree on. The main point is to provide a different and, perhaps, fresh perspective that subjects management philosophy to brainstorming (Drejer 2002). There are situations in which leaders depend on an encyclopedic grasp of complexities and technical methods of procedure. The skill itself is not an evidence of leadership but when linked with leadership gifts, it forms a potent combination. Some managers show leadership skills and some of them do not posses such features of the character initially but manage to evince them over time. Leadership and management are quite different notions but they may overlap.

New millennium demands new theory of management, unique skills and knowledge. New knowledge and practices are based on employee ethics and moral values, traditions and labor relations. In the 21st century managers and leaders call for great effort, restraint, persistence and discipline that result in great performance. They create an environment that compels everyone to furnish significant contributions to reach the main goal. Leaders may inspire and motivate, and managers may effectively allocate resources but the consequences are of little use unless they accomplish the plan the organization has set as an aim. The traditional definitions of management and leadership focus on the management process. What a manager or leader does is important but descriptions do not address the function or purpose of management. According to Drejer (2002), the purpose of management lies in producing positive results.

Nowadays, a special role is devoted to medium-sized enterprises (SMEs) which open new development opportunities for business. In this situation management is more than a group of leading people - it has much more constituent parts. Management is also routine administration, supervision, conversance with procedures, rules, and regulations. For instance, it requires negotiation techniques, cost control, and legal responsibilities. An important part of management is an understanding of process and procedures, but a new definition should focus on the results to be achieved. Managerial success is measured by achievement, not by the process used to accomplish the results. Based on the results of oriented philosophy of management, the new definition of management focuses on outcome.

The management can be defined as the act of setting goals and taking responsibility for producing positive results. The implication is that managers will be held accountable, not only for their own personal effectiveness, but for the output and results of others in their unit, team, and organization. The Integrity suffers when managers demand or expect an exaggerated loyalty and delight from their employees, and, thus, the workers cannot meet their expectations. An extreme emphasis on performance as a criterion of success may foster an atmosphere of raw striving that results in brutality, either it is profit, competition, status, money, or whatever. Sometimes manager can overstep the bounds of human dignity - the moderator is integrity. People are perceptive. Once a manager is judged or even perceived, as lacking integrity, he or she is in trouble (Drejer 2002).

The new economic and social changes demand new skills and knowledge. For a quality manager, these skills are selling and introducing new quality processes, development and implementation of an efficient Management System. Goals should be judged against ethical standards. Too often managers turn to the law and their lawyers to obtain legal opinions on ethical standards. They assume that if it is legal, it must be ethical, but this comprehension is absolutely wrong. Ethics lies largely outside the law. It's a separate branch of knowledge, though it is overlapped with many other studies. Ethical standards are related to those well defined and intangible moral values all managers must rely on. It has been postulated that whatever managers incline to believe acceptable or appropriate is considered to be ethical; the rest is unethical. Ethical standards relate to emotions, feelings, and values and managers cannot reply on rules, regulations, and law estimating someone's work and achievements in order to depict the real situation.

Coaching helps managers and organizations to create unique human resources and motivate employees. In addition, ethics involves the application of intangible values to specific goals where there are tangible and measurable outcomes. It goes far beyond the simple palpable measures. It even goes beyond the application of moral and ethical rules on what is right and wrong, or good and evil. It relies on judgments where there is seldom a single, clear-cut, or simple right answer to what constitutes an ethical goal or how it should be attained. Individual managers confront and contrast individual and organizational values in achieving corporate targets. There will never be total agreement on all organizational and individual values, nor a list of merits that can unambiguously resolve the dilemmas that managers routinely encounter. Rather, the balance of the ethical behavior equation centers on the ideal of individual integrity (Mitchelly & Skrzypaczz 2007).

Another remarkable feature of new mill union is innovation management. Innovating creates a range of possible marketing policies. At one extreme, they can choose policies to make the maximum short-run profit and then decide to meet competition as it arises with a pricing policy of skimming markets. At the other extreme, they can build a solid market position by accepting modest immediate returns and taking a longer period of time to cover their outlays, thus making it more difficult for new entries, as with a pricing policy of market penetration. Between these extremes, they may choose to be reimbursed for their original outlays while still holding a competitive advantage, and then use the advantage to increase volume and build a stronger market position. From a social perspective, the benefits of various innovations are often challenged. Fundamental innovations that create something new in the physical sense are hailed as beneficial. Adaptive innovations, particularly those that generate psychological values and are based on style or design obsolescence, are often criticized.

The main types of innovations are product innovation and process innovation (Mitchelly & Skrzypaczz 2007). In business, innovation is regarded as a means of differentiating products, reducing costs, matching and overcoming competition, and keeping an enterprise alert and vibrant. It results in new products and services, the streamlining of organizations, the development of new channels of distribution, and the incorporation of new techniques and technology to gain competitive advantage. From the standpoint of the social scientist, innovation belongs to a number of factors in social change and the problems change poses. The social scientists are concerned with the effects of innovations on cultures, the impact of culture on innovation, and the acceptance and rejection process that determines whether innovations are diffused or rejected. Innovation is, therefore, an area of interdisciplinary convergence.

The main benefits and outcomes of innovations are advancing technology, changing environment, changing industrial structures and strategies, evolving society, evolving customer desires, competitors improve their products, processes and services, customers stop buying old products and services so a company needs to replace them and add new products and services. Innovation, in its essence, is becoming a part of corporate life. The decisions about the production of new products and their implementation into competitive environment are taken in research and development departments. Seen as a method of assuring growth and survival, innovation is becoming institutionalized. Newness is not merely a matter of haphazard discoveries and research, for a planned innovative cycle is put into effect. Innovation is managed and becomes programmed, with new products developed to meet a marketing calendar. Yet, many innovations have not been the result of goal directed research. Marketing executives are both receptors and instigators of innovations. They must perceive market environments, infer relations, and put together various types of information, impressions of reality, and associations. Eventually, the right combination of inputs enables the innovator to conceive of a new product.

To become successful innovations, new products must be based on familiar notions or sentiments. They must not tax the adjustment capabilities of consumers. Innovations succeed where the consumer can adapt with ease. Therefore, innovation in part is the process of making the new or different very familiar. It is not merely individualism or the willingness to accept something new that supports innovation; conformity plays a large part.

The main industries which use innovations as a driven force of their business are new industries such as genetic engineering, electronics and telecommunications, automotive and aerospace. Companies are faced with a drive to innovate because the outcome provides a differential advantage. Innovation is a means of generating profitable growth, using plant capacity, capitalizing on executive and other resources, meeting the cost-price squeeze, and spreading overhead costs. Social, economic, and political institutions give high rewards to those who produce better consumer items. Energetic people are interested in encouraging change. The abundance of well-developed natural resources, the development of technology, the urbanization of consumers, the impact of such life-style factors as convenience and service, and the activities of government all stimulate the development of new products.

Innovations leading to new products stem from the ability to perceive and connect elements in a different manner. They are based on degrees of mental ability, creativity, existing knowledge, and the need for new approaches emerging out of the environment. Customers want new products; they desire change. Although cultures differ as to their rate of acceptance of change, innovation is a means of satisfying the customer's basic needs. The product-and-service mix is a significant force in corporate growth. Profit performance and market adjustment have as their fulcrum new product development, which has been called the life blood of a company. A study of corporate profitability indicates that the growth industries -electronics, chemicals, drugs -- have been new-product oriented. New products contribute substantially to profitable sales. The necessity of adding new products that will yield profits to sustain corporate growth is clear. New products also level out seasonal impacts, spread risks, use talents, capitalize on tax advantages, and replace obsolescent items. Business success depends on producing the right product at the right time. New-product development is risky, for market opportunity is couched in uncertainty and instability, and our competitive system and the unpredictability of customer reaction increases the risk. Product planning requires a careful estimation of costs, profits, and timing. The latter factor is crucial; products developed too soon or too late will fail. Companies faced with high expenses and new-product risks may adopt different strategies from those that are not. For example, they may introduce a new product in one geographic area at a time rather than on a national basis. This approach helps to reduce the risk that every company might face by introducing the new product on international market. Mistakes are made and corrected on a local rather than national basis, and the funds generated from sales in one area can be used to finance expansion (Drejer 2002).

In the new millennium, business represents a complex system that consists of different sub industries and markets. Industry classification helps manages to navigate and perform on the global scale. New-product opportunities should be assessed on the basis of the degree of fit not only with production capabilities but also with present product lines and marketing capacity. The meshing of marketing requirements can assist in achieving product success. The vastly expanded categories and more meaningful coefficients should prove useful in forecasting market trends. Yet, there are many difficulties. The coefficients developed from available data are not current, achieving industry breakdowns fine enough for decision purposes causes problems, the classification of industries is not standardized, and future technological developments must be accounted for in the calculation of coefficients.

The main sectors are materials, industrials, consumer discretionary, consumer staples, health care, financial, information technology, telecommunication section and utilities. Industry classification permits the planner to obtain both a graphic and an analytical description of the importance of various industries to his company, and gives a clearer view of both actual and potential markets. It permits the planner to vary assumptions about the future and give valuable intelligence about what likely future developments will probably be, the kinds of industries his company should be interested in, and the industries worthy of current cultivation. Although relatively few companies are now actively applying input-output analysis in marketing planning, it holds rich promise for the future. One company has used it as a basic tool in deciding to consummate a merger, and others have used it to direct sales efforts and to uncover significant market opportunities. But this approach is just another technique to be added to the market planners’ arsenal, rather than a means of supplanting conventional market analysis.

Alternative classifications divide the main sectors on subgroups and subcategories. Marketing planning, the second of the systemic functions, is closely related to the assessment of market opportunity. The utilization of scarce marketing resources to capitalize on opportunities requires planned marketing strategies and operations. Organizational boundaries are dynamic and adjust to meet the changing needs of their environments. As a result, organizations have a life and style of their own, and at certain periods, the influence of different groups may increase. For example, organization structures may change in periods of surplus from their form in periods of production shortages (Drejer 2002).

The information mentioned above shows that marketing organizations have multiple objectives, and the relative importance of their various goals changes. Sometimes goals intertwine and may contradict each other, thus it is desirable they are compatible. Since marketing sectors vary, we need to divide the goals set according to their priority and importance, and set up criteria for effectiveness. The goal of profit maximization, often assumed in discussions of economics, may not be the primary organization goal. The classical doctrine is concerned mainly with the anatomy of formal organization, and focuses on the division of labor, scalar and functional processes, structure, and the span of control. The study of line and staff structures falls into this realm. Neoclassical theory modifies the classical doctrine by superimposing consideration of individual behavior and the influence of informal groups on organizations. It is closely associated with the emphasis on human relations. Modern organization theory is integrative and studies organizations as systems of mutually dependent variables. It investigates the parts of the system, the formal organization, the informal organization, the pattern of behavior resulting from the interaction of the two, the physical setting, and the linkage process. Modern theory includes the study of marketing systems. Organizational arrangements are directed by manufacturer-distributor-retailer relationships. Where a large manufacturer is linked to numerous small distributors, the manufacturer emphasizes marketing leadership. Where a large distributor such as a wholesaler deals with a large number of manufacturers, retailers, or both, he furnishes the leadership. The former situation exists in autos and electrical appliances; the latter - in wholesaler sponsored voluntary cooperatives.

Reference List

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