

<b>Title of the course:</b>	<b>MANAGEMENT TOOLS &amp; PRACTICE</b>		
<b>Course ID:</b>	<b>VE-GMT011</b>		
<b>Level of education:</b>	<b>Regular &amp; Erasmus</b>	<b>Academic semester:</b>	<b>Fall</b>
<b>Professor's name:</b>	<b>Dr. Palotás Henriette</b>	<b>Academic title:</b>	
<b>Hours per semester:</b>	<b>30</b>	<b>Credits:</b>	<b>4</b>
<b>Exam:</b>		<b>Pre-requisites:</b>	<b>None</b>

### Aims and scope of the course

Role of the course is to gain skills in the management theories and tools and, furthermore, the extension of these skills in business English. Our purpose is to follow-up the use of management knowledge in business life. We offer extended presentations on areas of management in order to improve our students' skills in the practice.

The way of thinking and set of tools of management show a very rapid extension as an effect of globalization, informational society and electronic business. Following-up the international literature, students will be able to acquire and apply the basic and the most modern management principles and practices.

### Course outline

1. **Key terms and theories of management.** In our first session, we survey the key terms of management and their use, the roles and interests of business firms. Thereafter, we introduce our students into the development of most important management theories. After the early influences, we deal with classical approaches – the administrative management and the scientific management, surveying Fayol's and Taylor's key principles. The theory of bureaucracy acquaints with Max Weber's perspectives. The human relations approach shortly presents the conceptions of Mayo, Maslow, McGregor and their followers. Among further theories, we look into the essence of management science school, systems approach to the management and contingency theory. We close this topic with the role of strategic dimension.
2. **Activities, legal and structural frames of firms.** After defining the organization and its environment, we deal with the activities, functions and interests of business organizations. Students will be acquainted with legal frames of firms and, with levels of business organizations, showing the characteristics of flat and tall organizations. The structures of business firms differ by dividing the authorities, and by dividing the work and responsibility. According to dividing the authorities, one-line and multi-line organizations exist. By dividing work and responsibility, one-dimensional and multi-dimensional organizations operate. Virtual firms organize their activity with various business purposes, within various frames of cooperation. The topic will be closed with purposes and activities of organizational development.
3. **Managerial skills and decision-making.** Based on management tasks, we concern the target areas of general management. Because business firms operate on various process categories, we list the tasks for organizing processes and, aspects of organizing the work. Personal leadership tasks differ on firm's level and on the working place, requiring proper manager skills. The information and knowledge are tools of decision-making in each leadership level in order to make right structured decisions. Individuals' decision-making impact on the supervisor's decisions and behaviour. Types of business decisions are strategic, operating or administrative decisions, determining the sequence and mechanism of decision-making. Delegation of decisions is a useful habit of supervisors. Committees in the firm help with decision-making and sound operation. Management by objectives (MBO) is a proper tool of harmonizing the firm's and individuals' goals and targets. Managerial quality is important in fulfilling the top manager's functions. Corporate culture helps with creating and maintaining the positive organization's atmosphere and the employee's loyalty.
4. **Leadership at work, leadership styles.** Leadership at work requires adequate characteristics, skills and quality, determining the leader's style and behaviour. We look into the leadership theories, and categorize the basic leadership styles, listing the behavioural traits of autocratic, democratic and other styles. Further presumption derives from Douglas McGregor's X and Y-theories, and Ouchi's theory Z. We define the competence at work and list the elements of tacit knowledge. We concern, furthermore, the changes affecting the supervisor, the matrix of human capabilities and, the human qualities to a successful management. As closing issues of this topic, we concern the benefits of teamwork reinforcing the creativity, the management excellence and the Innovation of management's quality.
5. **Communication in organizations.** In the business, various types of consumers require human contacts, having differences in communication needs. We deal with lines of communication, with downwards and upwards communication methods and, with mechanisms of lateral communication. After listing the situations

- for the communication, we concern the information needs to an effective communication. We show the key models for communication and interaction, and list the barriers and problems of communication. Students get acquainted with the key processes of communication in business situations. We present the role of a positive communication and of the body language. We close this topic with the development of communication skills.
6. **Groupwork, motivation, workforce performance.** Various groups work in the organization, for various purposes and characteristics. We treat with group roles and group structure. We survey, furthermore, the factors, impacting on teamwork and group performance. There are useful individual motivators of teamwork. We show several useful personality traits of team members. The efficient individual and teamwork leads to high productivity. We survey the frequently used productivity indicators. After defining the term of attitude, we deal with working attitudes and, with the well-being of motivated workforce. Theories of motivation - the contents theories and the process theories explain the motivational effects. One of the old, top model is the Maslow's hierarchy of needs. We list the bases of motivation and, the motivation categories of people. Motivated people show high working performance. We deal, therefore, with purposes and techniques of performance appraisal, showing the factors of individual and organizational performance. Personal career and operability of organization will close this topic.
  7. **Functional management - 1: marketing, production and logistics.** Introducing with firm's affairs, Porter's wheel of functionality and with the environment of the firm, we show the characteristics of marketing environment, the market categories. Traits of individual and organizational buyers are very different, determining the business affairs with them. Repeating the elements of marketing mix, we list the focuses of marketing, the market segmentation, the consumer categories and the positioning to the target market. Functions of competition and the role of market familiarity help with focusing to the marketing. The manufacturing (production) deals with the settlement of material processes, with the conditions of transformation and with the modern tools of production management. Product policy determines the rational decisions on product structure, product categories, services and prices. We list several aspects of consumers' evaluation of business performance. We define the term of logistics and list of its functions, showing a simple logistic flowchart. Finally, we deal with the logistics in the practice, and logistic strategies.
  8. **Functional management - 2: management of costs, personnel and financial affairs.** This topic starts with the essence and areas of cost management. We survey the tools of good husbandry and profitability, presenting several cost reduction guidelines and strategies. We categorize the overhead (fixed costs) and variable costs, then the direct and indirect costs. Coverage calculation, the practical coverage conditions and the experience curve explain the rational considerations of mass production, and the economy of scale. An interesting model is the diagnostic board of cost originators, helping with the cost analysis. The total cost management is an efficient tool, based on a detailed activity-based cost analysis. Concerning the human resource (HR) we show its structuring aspects, the employees' characteristics and, the environmental and strategic factors of HR function. We look into the aspects of employment, dismissal and remuneration. Concerning the finances, we show a list of evaluative financial indicators and the aspects of liquidity management.
  9. **Managing time, stress and change.** Time management is an important factor of managerial efficiency. We present the key factors, affecting the time management. We list the typical time wasters and, the personal influences of the use of time. About how to establish good habits in the working place, we deal with the use of phone, handling of visitors, avoiding procrastination. Delegating the work helps with the rational time use as well. We give advice for goal setting and decision-making and for motivational dealing with group members. Concerning the stress, we denominate the stress sources and consequences of the stress. Out of actions against work-related stress, we look in, how to support employees to cope with stress. The bargaining mechanism of employee relations between management and trade unions may also be a useful tool. The change management deals with the key variables to be changed and, with the kinds of organizational change. Resistance to change, actions against inertia and coping with change are hard managerial challenges. The topic is closed with kinds and benefits of organizational change.
  10. **Management of innovations.** After defining the innovation, we show the evolution of economic cycles, and old periods of macro-innovations. Several expectable and surprising novelties are to be seen, emerging in the past. The areas of innovation management concern the structural and organizational innovation. Matrix of structural innovations and Schumpeter's basis innovations show practical examples. We show several further well-known models concerning to the innovation – the Michael Porter's competitive strategies, the five forces' analysis and, the Ansoff matrix of product-market decisions with explanations. The closing issues of this topic are: the success factors of new-product strategies, the benefits of product-technology related innovations and, finally, the role of elaboration level, modernity and branding in the competitiveness.
  11. **Role of information technology.** The evolution of network economy is due to the business application of the internet. First, we list the key parts of information technology and a block scheme of IT-knowledge management. Thereafter, we concern the areas of business use of IT-knowledge, the IT-support of business processes and, the newer business models of IT-sector. The real-time firms have more competitive advantages. We list several IT-tools of perfection. The enterprise resource planning (ERP) systems operate as integrated management systems nowadays – we show their essence and characteristics. We define the customer relationship management (CRM), listing its characteristics, mental and business benefits and,

payoff sources of CRM. Several interesting examples of IT-support of basic business strategies and IT background of competitive strategies can be seen thereafter.

12. **Management in the practice.** This topic will be introduced with the determinants of business environment and with the differentiating traits of business firms. The list of key actors of large corporations refers to the manoeuvring range of the Central Executive Officer (CEO, that is general manager). We enlighten the factors of conscious corporate government and, the general leadership's tasks and tools. After defining the quality and formulating the meaning of total quality management (TQM) we look into the ISO 9000 system of quality affairs and its emphatic contents. We show an interesting model, the Ishikawa-chart of quality defects and, we touch on the TQM properties of a competitive firm. Concerning the project management, we present the project characteristics, project types and the tasks of project management. Turnaround time planning concerns the necessary analytic areas and the most frequently applied networking techniques. Planning for the future is a further, important area of management. We present the general scheme of a planning system, the key items of strategy, the core competences, strategic positions, strategic project planning and strategic project management that is the management of actions. Finally, we show the decision-making variants, aspects and flow chart of business planning.
13. **Organizational performance.** First, we review the purposes of business activity, presenting the revenue (income), net income, operating profit, turnover taxes and other indicators. A flowchart of cost management and profit planning lets perceive the logical steps of their planning. We present, furthermore, the main cost-related efficiency indicators. We determine the essence of profitability, survey and define the key profitability indicators – the return on sales (ROS), return on equity (ROE), return on assets (ROA) return on investment (ROI). We list the essential factors of competitiveness on firm's level. The chain of impacts on business success is an own hierarchic model, we explain its levels. Purpose, contents and tools of the organizational policy lead to a high organizational performance. Finally, we list several guarantees of business success. We close our course with the test exam.

#### Requirements and assessment for the course:

- Class participation - 20%
- Thesis (written exam) till the end of the semester about the most interesting, most relevant and challenging topic of the course- 40%
- At the end of the semester there will be a test about the content of 12 lessons with 10 multi-choice questions and 5 short essay questions. Students may get one score for each right answer and 1-5 score in case of each short essay question. – 40%
- Marks will be calculated as the combination of class participation, written exam and test result. Students will get their marks within 2 weeks after submitting the written exam and the test.

**Compulsory presentations** dr. Palotás H. (2021): Management Tools & Practice. PPT presentation.

#### Recommended readings:

- Cole, G.A.-Kelly, Ph. (2015): Management theory and practice. 8th Ed. E-book. South-Western Cengage Learning, UK.
- Kotler, Philip – Armstrong, Gary (2012): Principles of Marketing. 14th Ed. Prentice Hall Linton, G.– Kask, J. (2017): Configurations of Entrepreneurial Orientation and Competitive
- Stephen R. Covey: The 7 habits of highly Effective People (30<sup>th</sup> anniversary edition, 2020)
- Noel M. Tichy (Penguin 2014): Succession- Mastering the make or Break Process of Leadership Transition
- Noel M. Tichy (Penguin 2012 with Chris DeRose): Judgement on the front line- How smart companies win by trusting their people
- Daniel Coyle (2018): The culture code- The secrets of highly successful groups
- Ulrich, Dave; Younger, Jon; Brockbank, Wayne; Ulrich, Mike (2012): HR from the outside in- the next era of human resources transformation. New York
- Aaron K. Olson, B. Keith Simerson (2015): Leading with Strategic Thinking- Four Ways Effective Leaders Gain Insight, Drive Change and Get Results
- Dave Ulrich, Wayne Brockbank, Dani Johnson, Kurt Sandholtz, Jon Younger (2008): HR Competencies-Mastery at the Intersection of People and Business
- Lundquist, Damon (2016): Pragmatic Time Management Techniques. JNR Publishing, EPUB MOBI.
- Lundquist, Damon (2016): The Fine Art of Decision Making. JNR Publishing, EPUB MOBI. Antal, Zs.– Dobák, M. (2016): Vezetés és szervezés. Akadémiai Kiadó, Budapest.

Bakacsi Gyula (2010): A szervezeti magatartás alapjai. Aula Kiadó, Budapest.  
Chikán, Attila (2010) Bevezetés a vállalatgazdaságtanba. Aula Kiadó, Budapest  
Sprenger, Reinhard K. (2017): Motiváció, ösztönzés. (Motivation, incentives.) Kossuth Kiadó, EBOOK  
MOBI

