

# Unit 2

## MANAGEMENT

### Text 1. MANAGEMENT

#### 1. Подберите русские эквиваленты английских терминов:

- |                   |                          |
|-------------------|--------------------------|
| 1) proprietorship | a) субсидия              |
| 2) competitor     | b) служащий              |
| 3) assets         | c) работодатель          |
| 4) report         | d) краткосрочная<br>цель |
| 5) grant          | e) конкурент             |
| 6) goal           | f) отчет                 |
| 7) obligation     | g) ответственность       |
| 8) wholesaler     | h) активы                |
| 9) bill           | i) товары                |
| 10) employer      | j) долгосрочная<br>цель  |
| 11) subordinate   | k) обязательство         |
| 12) customer      | l) счет                  |
| 13) objective     | m) оптовик               |
| 14) employee      | n) подчиненный           |
| 15) goods         | o) покупатель            |

#### Definition of Management

Management is based on scientific theories and today we can say that it is a developing science. But knowledge of theories and principles doesn't provide practical results. It is necessary to know how to apply this knowledge. Practical application of knowledge in the management area requires certain abilities or skills.

Depending on its size, an organization may employ a number of specialized managers who are responsible for particular areas of management. A very large organization may employ many managers, each responsible for activities of one

management area. In contrast, the owner of a sole proprietorship may be the only manager in the organization. He or she is responsible for all levels and areas of management.

What is important to an organization is not the number of managers it employs but the ability of these managers to achieve the organization's goals, and this ability requires a great skill. In other words, management is the process of coordinating the resources of an organization to achieve the primary organizational goals.

### **Main resources**

Managers are concerned with the following main resources: material resources, human resources, financial resources, informational resources.

Material resources are physical materials and the equipment used by an organization to make a product. For example, cars are made on assembly lines. These assembly lines and the buildings that house them are material resources.

The most important resources of any organization are its human resources – people. Some firms believe that their employees are their most important assets. To keep employees content, a variety of incentives are used, including higher-than-average pay, flexible working hours, recreational facilities, lengthy paid vacations, cafeterias offering inexpensive meals, etc.

Financial resources are the funds the organization uses to meet its obligations to various creditors. A grocery store obtains money from customers and uses a portion of that money to pay the wholesalers from which it buys food. A large bank borrows and lends money. A college obtains money in the form of tuition, income from its endowments, and federal grants. It uses the money to pay utility bills, insurance premiums, and professors' salaries. Each of these transactions involves financial resources.

Finally, many organizations increasingly find they cannot ignore information. External environment – including the economy, consumer markets, technology, politics, and cultural forces – are all changing so rapidly that an organization that does

not adapt will probably not survive. And, to adapt to change, the organization must know what is changing and how it is changing. Companies are finding it increasingly important to gather information about their competitors in today's business environment.

It is important to realize that these are only general categories of re- sources. Within each category are hundreds or thousands of more specific resources, from which management must choose those that can best accomplish its goals. Managers must coordinate this complex group of specific resources to produce goods and services.

### **Management Skills**

Effectiveness of a manager's activity depends on certain important skills. These skills can be divided into seven different categories: conceptual, decision making, analytic, administrative, communicational, interpersonal and technical.

1. A conceptual skill is the ability of a manager to see the “general picture” of an organization. Managers must understand how their duties and the duties of other managers fit together to plan their activity in a proper way and get the required results. This skill is very important for top managers because it helps them plan “super goals” and develop proper strategies for the whole organization.

2. A decision making skill is the ability of a manager to choose the best course of actions of two or more alternatives. A manager must decide the following:

- What objectives and goals must be reached?
- What strategy must be implemented?
- What resources must be used and how they must be distributed?
- What kind of control is needed?

In short, managers are responsible for the most important decisions which are required to carry out any organizational activity.

3. An analytic skill is the ability to determine the most important problem of many other problems and identify the

causes of each problem before implementing a proper action plan. This ability is especially important for top managers because they have to solve complex problems.

4. An administrative skill is the ability of a manager to keep to the organizational rules specified for the production process, within a limited budget, and coordinate the flow of information and paper work in his group and in other groups.

5. A communicational skill is the ability of manager to share his ideas and opinions with other people both orally and in writing. This skill is a decisive factor of a manager's success. Some investigations show that top managers and middle managers spend approximately 80% (percent) of their work time in communicating with each other. Thus, a communication skill enables managers to hold meetings, write clear letters and explanatory notes, make reports, etc.

6. An interpersonal skill (psychological skill) is the ability to deal effectively with other people both inside and outside the organization. It is the ability to understand the needs and motives of other people. This skill is very important for a good psychological atmosphere for successful activity in the common work in future. If the interpersonal relations are good, a manager will be successful in getting a support in the development and implementation of organizational plans.

7. A technical skill is a specific competence to accomplish a task. The lower is a manager's level in the organization; the closer is his/her connection with the production process. Thus first-line managers have the closest connection with the production process. They need high technical skills to provide technical guidance for the subordinates. Top managers don't need these skills as much as first-line managers but the knowledge of the technical sphere is useful for all the managers.

### **3. Ответьте письменно на вопросы по тексту:**

1. What is management?

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2. What is important to an organization?

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3. Does the ability to achieve organizational goals require a great skill?

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4. What main resources are managers concerned with?

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5. What incentives are used to keep employees content? Why?

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6. How does an organization obtain financial resources? Give some examples.

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7. What must an organization do to survive?

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8. What are the main categories of management skills?

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### **4. Выберите предложения, соответствующие содержанию прочитанного текста:**

1. A very large organization may employ many managers, each responsible for activities of one management area.

2. Management skills can be divided into six different categories: conceptual, analytic, administrative, communicational, interpersonal and technical.

3. Top managers have the closest connection with the production process, so they need high technical skills to provide technical guidance for the subordinates.

4. If the interpersonal relations are good, a manager will be

successful in getting a support in the development and implementation of organization-al plans.

5. Some firms believe that their employees are their most important assets.

6. An analytic skill enables managers to hold meetings, write clear letters and explanatory notes, make reports, etc.

7. Some investigations show that subordinates spend approximately 80% of their work time in communicating with each other.

**5. Прочитайте, переведите письменно на английский язык и запомните следующие слова и словосочетания:**

to employ managers, to accomplish goals, insurance premium, technical skills, number (of), management area, consumer market, the owner of a sole proprietorship, to achieve the organization's goals, great skill, human resources, primary goals, employee, recreational facilities, paid vacation, to meet obligations, to obtain money, income, salary, to survive, competitor, to produce goods and services, utility bills, interpersonal skill, activity, needs and motives, support, production process, responsible, report, to solve problems, to distribute, to hold a meeting, technical guidance.

**6. Дополните предложения, подобрав соответствующее окончание в правой колонке.**

- |                                   |  |
|-----------------------------------|--|
| 1. Management is ...              | a) ...the most important resources of any organization, some firms believe that their employees are their most important assets.                                   |
| 2. An administrative skill is ... | b) ...the ability to determine the most important problem of many other problems and identify the causes of each problem before implementing a proper action plan. |

3. Material resources are ... c) the ability to deal effectively with other people both inside and outside the organization.
4. A conceptual skill is ... d) ... the ability to share his ideas and opinions with other people both orally and in writing.
5. Human resources are ... e) ...the process of coordinating the resources of an organization to achieve the primary organizational goals.
6. Financial resources are ... f) ... a specific competence to accomplish a task and to provide technical guidance for the subordinates.
7. A communicational skill is ... g) ...the ability of a manager to choose the best course of actions of two or more alternatives.
8. An analytic skill is ... h) ... the funds the organization uses to meet its obligations to various creditors.
9. An interpersonal skill is ... i) ...physical materials and the equipment used by an organization to make a product.
10. A technical skill is ... j) ... the ability to keep to the organizational rules specified for the production process, within a limited budget, and coordinate the flow of information and paper work.
11. A decision making skill is ... k) ...the ability of a manager to see the “general picture” of an organization.

**7. Передайте устно на английском языке основное содержание текста «Management».**

### **Text 1. KINDS OF MANAGERS**

**1. Прочитайте и переведите текст «KINDS OF MANAGERS» на русский язык**

#### **KINDS OF MANAGERS**

Managers can be classified two ways: according to their level within the organization and according to their area of management.

According to the level within the organization managers can be:

1. A top manager is an upper-level executive who guides and controls the overall fortunes of the organization. Top managers constitute a small group. In terms of planning, they are generally responsible for developing the organization's mission. They also determine the firm's strategy. It takes years of hard work, long hours, and perseverance, as well as talent and no small share of good luck, to reach the ranks of top management in large companies. Common job titles associated with top managers are chairman, president, vice president, chief executive officer (CEO), and chief operating officer (COO).

2. Middle management probably comprises the largest group of managers in most organizations. A middle manager is a manager who implements the strategy developed by top managers. Middle managers develop tactical plans and operational plans, and they coordinate and supervise the activities of first-line managers. Titles at the middle-management level include division manager, department head, plant manager, and operations manager.

3. A first-line manager is a manager who coordinates and supervises the activities of operating employees. First-line managers spend most of their time working with and motivating their employees, answering questions, and solving day-to-day problems. Most first-line managers are former operating employees who, owing to their hard work and potential, were promoted into management. Many of today's middle and top managers began their careers on this first management level. Common titles for first-line managers include office manager, supervisor, and foreman.

4. The supervisor is usually regarded as the first managerial grade in an organization hierarchy. Supervisors will often be workers promoted off the «shop floor» because of their hard work, initiative, and leadership qualities. The job of the supervisor will vary between organizations but, in general, he or she will be a manager who has had extensive contact with «shop floor» workers and knows how things should be done «on the ground». Supervisors are the first in line to deal with day-to-day operations and problems as they occur – for example, a breakdown in a piece of machinery, staff absenteeism, a hold-up in supplies, etc.

According to the area of management managers can be:

1. A financial manager is primarily responsible for the organization's financial resources. Accounting and investment are specialized areas within financial management. Because financing affects the operation of the entire firm, many of the CEOs and presidents of this country's largest companies are people who got their «basic training» as financial managers.

2. A production manager (also called an operations manager) manages the systems that convert resources into goods and services. Traditionally, production management has been equated with manufacturing – the production of goods. However, in recent years many of the techniques and procedures of production management have been applied to the production of services and to a variety of nonbusiness activities. Like financial management, production management has produced a large percentage of today's company CEOs and presidents.



3. A marketing manager is responsible for facilitating the exchange of products between the organization and its customers or clients. Specific areas within marketing are marketing research, advertising, promotion, sales, and distribution. A sizable number of today's company presidents have risen from the ranks of marketing management.

4. A personnel manager (also called a human resources manager) is charged with managing the organization's human resources programs. He or she engages in human resources planning; designs systems for hiring, training, and evaluating the performance of employees; and ensures that the organization follows government regulations concerning employment practices. Because human resources management is a relatively new area of specialization in many organizations, few top managers have this kind of background. However, this situation should change with the passage of time.

5. An administrative manager (also called a general manager) is not associated with any specific functional area but provides overall administrative guidance and leadership. A hospital administrator is a good example of an administrative manager. He or she does not specialize in production, finance, marketing, or human resources management but instead coordinates the activities of specialized managers in all these areas. In many respects, most top managers are really administrative managers.

**2. Ответьте письменно на вопросы по тексту:**

1. How can managers be classified?

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2. What are the main tasks of top managers?

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3. Who is responsible for the organization's financial resources?

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4. What do middle managers do?

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5. Whose task is to deal with day-to-day operations and problems?

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**3. Выберите утверждения, соответствующие содержанию прочитанного текста:**

1. Marketing research, advertising, promotion, sales, and distribution are specific areas within marketing.

2. Shop-floor workers determine the firm's strategy.

3. An operations manager manages the systems that convert resources into goods and services.

4. A hospital administrator is a good example of a financial manager.

5. Middle managers coordinate and supervise the activities of first-line managers.

6. A marketing manager is responsible for managing the organization's human resources programs.

7. Like financial management, production management has produced a large percentage of today's company CEOs and presidents.

**4. Прочитайте, переведите письменно на английский язык и запомните следующие слова и словосочетания:**

руководство компании; оперативное управление; тактический план; оперативный план; бизнес-план; совет директоров; председатель совета директоров; исполнительный директор; заведующий филиалом; коммерческий директор; генеральный директор; управляющий офисом; менеджер по продажам; менеджер по

обслуживанию; начальник отдела кадров; руководитель производства; управляющий банком; управляющий магазином; руководитель высшего звена; руководитель среднего звена; руководитель низшего звена; линейный руководитель; промышленный рабочий; административная система; система обмена информацией.

**5. Передайте устно на английском языке основное содержание текста «Kinds of managers»**

### **Text 3. The role of the market**

1 Markets bring together buyers and sellers of goods and services. In some cases, such as a local fruit stall, buyers and sellers meet physically. In other cases, such as the stock market, business can be transacted over the telephone, almost by remote control. We need not go into these details. Instead, we use a general definition of markets.

2 A market is a shorthand expression for the process by which households' decisions about consumption of alternative goods, firms' decisions about what and how to produce, and workers' decisions about how much and for whom to work are all reconciled by adjustment of prices. Prices of goods, and of resources, such as labor, machinery and land, adjust to ensure that scarce resources are used to produce these goods and services that society demands.

3 Much of economics is devoted to the study of how markets and prices enable society to solve the problems of what, how, and for whom to produce. Suppose you buy a hamburger for your lunch. What does this have to do with markets and prices? You chose the café because it was fast, convenient and cheap. Given your desire to eat, and your limited resources, the low hamburger price told you that this was a good way to satisfy your appetite. You probably prefer steak but that is more expensive. The price of steak is high enough to ensure that society answers the "for whom" question about lunchtime steaks in favor of someone else.

4 Now think about the seller's viewpoint. The café owner is in the business because, given the price of hamburger meat, the rent and the wages that must be paid, it is still possible to sell hamburgers at a profit. If rents were higher, it might be more profitable to sell hamburgers in a cheaper area or to switch to luxury lunches for rich executives on expense accounts. The student behind the counter is working there because it is a suitable part-time job which pays a bit of money. If the wage were much lower, it would hardly be worth working at all. Conversely, the job is unskilled and there are plenty of students looking for such work, so owners of cafés do not have to offer very high wages.

5 Prices are guiding your decision to buy a hamburger, the owner's decision to sell hamburgers, and the student's decision to take the job. Society is allocating resources — meat, buildings, and labor — into hamburger production through the price system. If nobody liked hamburgers, the owner could not sell enough at a price that covered the cost of running the café and society would devote no resources to hamburger production. People's desire to eat hamburgers guides resources into hamburger production. However, if cattle contracted a disease, thereby reducing the economy's ability to produce meat products, competition to purchase more scarce supplies of beef would bid up the price of beef, hamburger producers would be forced to raise prices, and consumers would buy more cheese sandwiches for lunch. Adjustments in prices would encourage society to reallocate resources to reflect the increased scarcity of cattle.

*David Begg. Economics. — 3rd ed. — McGraw-Hill Book Company. — P. 8.*

#### **1. Read the text and answer the questions below.**

1. What is a market? How do you understand the main function of markets?
2. What is the meaning of "competition" in economics?

3. What guides customers' decision to buy goods?
4. What is meant by "adjustment of prices"? How does this mechanism regulate the market relationships?

**2. Decide whether the following statements are True or False according to the text.**

1. Market is a place where sellers and buyers meet physically. \_\_\_\_
2. Prices ensure that scarce resources are allocated in accordance with the society's needs. \_\_\_\_
3. In the market system the government regulates prices. \_\_\_\_
4. Prices are independent of the amount of demand and supply. \_\_\_\_
5. People's desire to buy goods makes markets work. \_\_\_\_

3. Scan through the text and find the words corresponding to these definitions.

*para 1 and 2*

- 1) relating to an area near you (adj) \_\_\_\_\_
- 2) a fast way of writing using abbreviations and symbols (n) \_\_\_\_\_
- 3) a slight change that you make to smth so that it works better, fits better, or is more suitable (n) \_\_\_\_\_
- 4) a need for smth to be sold or supplied (n) \_\_\_\_\_

*para 3*

- 5) to find the answer to smth (v) \_\_\_\_\_
- 6) easy to use or suiting your plans well (adj) \_\_\_\_\_

*para 4*

- 7) someone who legally owns smth (n) \_\_\_\_\_
- 8) making or likely to make a profit (adj) \_\_\_\_\_
- 9) working or studying only for part of the day or the week (adj) \_\_\_\_\_
- 10) to give or provide smth (v) \_\_\_\_\_
- 11) without special skills or qualifications (adj) \_\_\_\_\_

*para 5*

- 12) to tell someone what they should do (v) \_\_\_\_\_
- 13) a strong feeling that you want smth (n) \_\_\_\_\_
- 14) the food, equipment, etc. that is needed for a particular activity, holiday, etc. (n, pl.) \_\_\_\_\_
- 15) to buy smth (v) \_\_\_\_\_

**5. Match the term with its definition.**

1) stock market	a) an employee for periods that take less time than a full, regular schedule
2) expense account	b) a person or group having administrative or managerial authority in an organization
3) executive	c) a segment of the work force associated with a low skill level or a limited economic value for the work performed
4) part-time worker	d) changes in price
5) unskilled labor	e) a place where stocks, bonds, or other securities are bought and sold

6) price adjustment	f) money deposited for paying employees' expenses
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**5. Use the terms from exercise 4 to fill in the gaps.**

1. Ford is testing a sophisticated electronic security system on cars used by its own \_\_\_\_\_ before deciding whether to standardize it on all high performance models.
2. These figures do not take into account irregular employment, and so those for \_\_\_\_\_ in particular have to be treated with caution.
3. The \_\_\_\_\_ reflected the more optimistic mood, with the FTSE-100 index closing up 18.2 at 2400.9.
4. ICI currently has 850 \_\_\_\_\_, who are mostly women and mainly working in job share schemes.
5. The benefits considered least important were the amount of holiday and \_\_\_\_\_.
6. A major \_\_\_\_\_ was needed to encourage both energy saving and exploration.