

Hayek Global College

Management and Its Best Practices

February 6th, 2021

Héctor Orellana

### **Good Management**

Management like most practices, can be done in many ways, including some that are not necessarily good or ideal. So, what is good management then?

Good management is the act of guiding a business or institution to the achievement of its goals in the most efficient way and creating benefit for all stakeholders, while keeping all the activities within the rules of the game established by society. It is an ambitious and open mindset that gets a manager to look for new ways to do things, improve, move forward and not stick to meeting the minimum requirements or making ends meet.

Firstly, one must understand the nature of the company, the objectives they are trying to reach, what is being provided to customers, how is it being delivered or produced, which resources are available for the business and the people involved in the functioning of all processes. A good manager goes into detail on every aspect of the organization so that he or she can grasp the full scope of what is being done and what isn't. Once the details are understood it is possible to coordinate the resources. It is very important to know the employees, providers, assets, and customers to align activities with them.

Knowledge of an employee's pros and cons are helpful, knowing where one employee excels leads to exploiting their most valuable skills and avoiding putting them in situations where they are faced with their lack of expertise. Bad managers will try to tell everyone under their command how to do their jobs instead of guiding them, as opposed to a good manager who will explain the objective and assign roles according to capacities, trusting the team to meet the expectations. A good manager should also lay out what needs to be done with enough time so that deadlines can be met, not giving orders on short notice.

Of course, employees are not the only people involved in a business, the manager should maintain good relations with providers or customers if required by the role. If it is necessary for the manager to choose, he or she must choose a provider that meets the company's requirements, having researched the available options so that the most cost-effective one can be reached.

Knowing which products or services the business is offering is not enough. A manager can act simply based on that information, but the market will sooner or later shift, rendering the basic functions useless against the competition. The understanding of the customer is essential for business, to adapt your product or service to the needs of the market. Good managers will be aware of the context of the industry, tendencies, and desired qualities so that they can apply changes to their processes, products or choice of resources.

When it comes to managing, communication is key. For a business to produce the most out of its resources, synergy must be achieved between all its parts. Different teams or departments within an organization are usually working to fulfill their own interests, although they might do it for the same main

objective, they may not be completely aware of what other coworkers are working for. To have all the coworkers on the same track, the manager must be able of communicating to all teams the aspects of what is going on all around the organization and encouraging them to work together, thus enhancing the productivity.

Human resources are the most important for business development, however, technology is needed for people to work. Having the necessary tools for the accomplishment of processes is part of good management. A good manager will see the opportunities and attainable improvements that come with providing its team with the tools that most help them in their different activities. Its not all about having the most expensive or new equipment, software, or methods, but the most adequate to the team and structure of the business. A bad manager instead will demand results that may not be reasonable according to the technology or ways of operating that are currently being used and will fail to acknowledge any limit in the capacities of the business.

Businesses exist for profit. All that has been mentioned is part of making it possible for the organization to be profitable after all. So, a good manager doesn't seek to improve processes just for the sake of it, but to increase profitability. However, even though economic wellness is the goal, a good manager will seek it by acting responsibly, making decisions that do not harm people or society. Bad management would mean giving priority to profit over the wellbeing of those who can be affected by the business's doings. There are rules, be it the ones established by governments or the ones defined by society, and ethics that limit what could be done in the path of profit seeking.

It is about being prepared, understanding, acting, thinking ahead, and caring about the business, its people, and its success.