

Chapter 7 Business Management

Section 7.1 Management Functions

Section Summary with Key Terms and Academic Vocabulary

Management Functions Management includes the processes or functions of planning, organizing, leading, and controlling. Most managers carry out all four of the functions. However, some spend more time on some of the functions than others. There are generally three levels of management: top-level, middle, and operational. Top level managers usually spend more time on planning than operational managers. Middle managers spend more time organizing. They also lead and control the work of others. Operational managers generally spend more time on leading and controlling than do top-level managers.

Key Terms _____

management The process of achieving company goals by planning, organizing, directing, controlling, and evaluating the effective use of resources

planning The act or process of creating goals and objectives as well as the strategies to meet those goals and objectives

organizing Getting resources arranged in an orderly and functional way to accomplish goals and objectives

organizational chart A chart that shows how the firm is structured and who is in charge of whom

top-level managers Managers who are responsible for setting goals and planning for the future as well as leading and controlling the work of others

middle managers Managers who carry out the decisions of top management

operational managers Managers who are responsible for the daily operations of a business

leading Providing direction and vision

controlling Keeping the company on track and making sure goals are met

Academic Vocabulary _____

focus To concentrate attention or effort

goal The end toward which effort is directed

team A number of persons associated together in work or an activity

enforce To carry out effectively