

**ЙЕРАРХИЈАТА НА МЕНИДЖЪРИТЕ - ВАЖНА ЧАСТ ОТ
ДОБРОТО УПРАВЛЕНИЕ**

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**THE HIERARCHY OF THE MANAGERS - AN IMPORTANT
SEGMENT OF GOOD GOVERNANCE**

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Abstract

Management is one of the most important tasks in any business. There are a number of obligations that managers should implement on daily working activities at all different levels, which should lead to efficiency and effectiveness in business and organizational life.

Management is the creation and maintenance of a system in the organization. Companies depend on the capabilities of managers to set the vision and key objectives. It basically allows to ensure a coordinated approach in working and taking actions that each individual during operation will allow it to give its contribution, and therefore much more successfully performing the task of a specific group or organization.

This paper presents hierarchical structure of managers, which is of great importance for the good governance of organizations to set their goals, planning, as well as other management functions.

Keywords: *management, hierarchy of managers, business, managers, organization*

JEL Codes: *M10, M12*

1. Introduction

Management is a universal activity, which has proper content, principles of application and functions are exercised. As a process that ensures efficient realization of the set goals is one of the most important human activities. Been

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practiced not only in the economic sphere, but also in many other segments of the society: politics, education, health, culture, social sector etc.

Given its significance and importance in the operation of the enterprise, it is an imperative. In this context, management is applicable to all types of business systems and is present in all functions and hierarchical levels in the organization. Undoubtedly, it can be stressed that it is a dynamic process that gives life to every aspect of business.

To operate the company and managers to establish a hierarchy of working relationship, which allows members of an organization to work together to achieve the organization's goals, it is good to construct all the managerial levels. Structuring means to group people into sectors according to the type of tasks specific to the job they perform. While organizing, managers also set the hierarchy and responsibility among different individuals and groups and decide how best to coordinate the resources of the organization and especially the human resources.

As a result of well-established hierarchy, there is a structure in the organization, which is a formal system of mutual relations of tasks and responsibilities, coordinating and motivate members of the organization they work together to achieve the objectives of the organization. Organization structuring to determine how best they can use the resources in the organization while creating products and services.³

2. Hierarchy of the managers

For effective and efficient performance, organizations traditionally employ **three types of managers**, including (Gareth & George, 2008, p.17):

- 1) Managers at the lowest level
- 2) Managers at the mid-level and
- 3) Managers at the highest level.

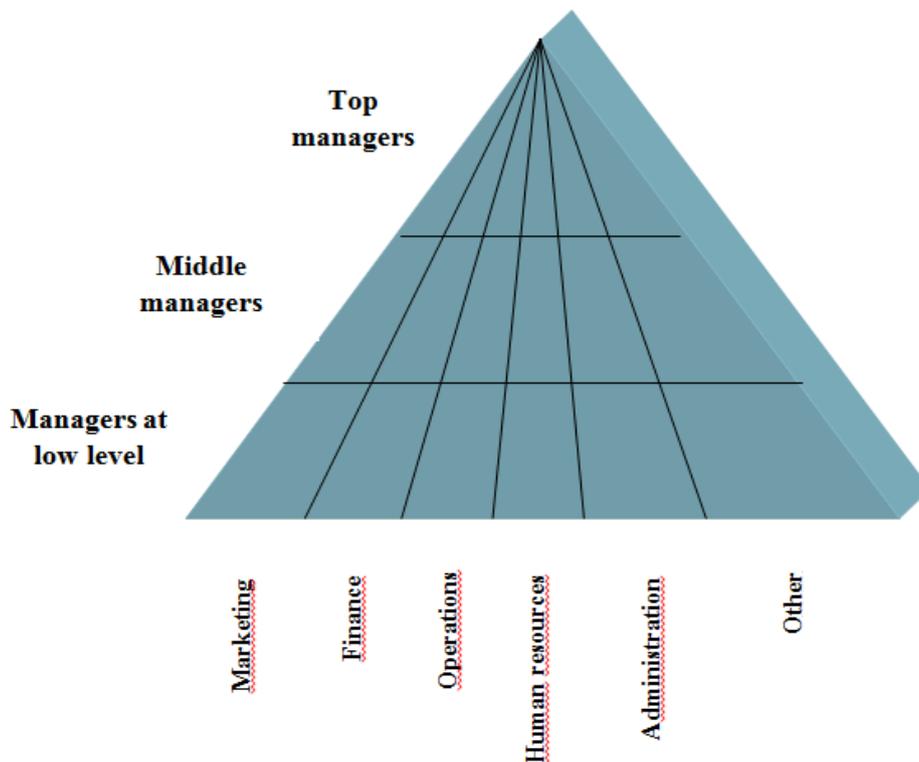
At each level managers have different but related species responsible for exploiting the resources of the organization to increase efficiency and effectiveness. These three types of managers are grouped by sectors according to their specific responsibilities. Sectors such as: production sector, accounting or engineering, a group people who are working together and have similar skills

³ Example: with the growth of Dell Computer, Michael Dell faced with the problem how to choose the structure of their organization. At one time employed 100 new employees per week and had to decide how to devise the hierarchy of the managers, to motivate and coordinate their activities.

or use the same type of knowledge, tools and techniques for carrying out their work. In each sector exist three levels of managers.

The final result of this vertical and horizontal division represents the organizational structure. An entrepreneur set up an organization, takes the role of General Manager (CEO) and starts organizing. By employing a larger number of people in the company, General Director (CEO) discovers the need to create a hierarchy of managers.

Figure 1. Hierarchy of managers, according to Griffin



Source: Griffin, R. V. (2010). Fundamentals of management, Genex, Kocani, p. 6

Planning, organizing, allocation of human resources, managing, leadership and control depends on the position of manager in the hierarchy of management. Amount of time they consume managers to perform management functions and maintain or improve the performance of the organization increases with their level in the hierarchy.

Managers at the highest level most of his time is devoted to planning and organizing, functions that are crucial for determining the long-term operation of the organization. As far as the lower position of manager in the hierarchy, he more time used to guide and control the work at the managers from the lowest level or other employees.

Figure 2. Relative amount of time wich the managers spend for all four managerial functions



Source: Gareth R. J & George M. J. (2008). Modern Management, Global Communications, Skopje, p. 19

2.1. Managers at the lowest level

At the core of hierarchy of managing are the managers at the lowest level, who supervise and coordinate the activities of employees and take daily load management and control of human and other resources, to help the organization to operate effectively. They are found in all sectors of an organization and carry out specific activities in manufacturing and services.

Managers at lower level are supervisors of the first line, responsible for surveillance of workers,⁴ for example in charge in the manufacturing sector of

⁴ Example: in Dell Computer, managers at the lowest level supervisors responsible for quality control of computers produced by Dell employees or the level of customer service of the team that Dell sells over the phone. When Michael Dell founded his

the manufacturing plant of cars, head nurse in maternity hospital, as well as chief mechanic who oversees a team of mechanics in department servicing of new cars.

The lowest-level managers come with the greatest need for technical skills. That means they should have the ability to apply the procedures, methods and techniques, technology and knowledge in the organization.

Specific to the lowest level of management is:

- ✓ This level of management ensures the implementation of decisions or plans of senior management.
- ✓ Decisions taken by low management are usually short-lived.

2.2. Managers of mid-level

Managers of mid - level are responsible primarily for the implementation of policies and plans developed by top managers, as well as conducting and coordinating the activities of lower ranking managers. Typical titles of middle management are: work manager, operations manager and head of department.

They oversee the managers to the lowest level and the key to finding the best way of organizing human and other resources to achieve the organization's objectives. To increase efficiency, they are trying to find ways that will help front-line managers and employees to better use: resources in order to reduce production costs or improve the provision of services to consumers.

Very often the suggestions given by managers of middle level managers to the top managers could greatly enhance the performance of the organization. Most of these managers work consists in developing and refining the skills and knowledge, such as expertise in the field of production or marketing, which allow the organization to be effective and efficient.

Managers of middle level make thousands of specific decisions relating to the products or services and should answer the following questions:

- Which manager from the lowest level to select for a particular project?
- Where to find high quality resources?
- How to organize employees about resources to best advantage?

Besides first-class sales staff should always be sought and a good manager of middle level who will be responsible for training, motivating and rewarding sellers (Deborah Kent, director of the production plant in Ford, is an excellent example of a dedicated manager of middle level.).

company, he personally controlled the assembly process on computers, and it was the manager or supervisor lows.

Middle management is most in need of human capabilities. This means that the manager should be able to work with people, able to solve conflicts, to work in a team and respect the hierarchy.

To conclude, managers of middle level:

- ✓ Have a specialized understanding of certain managerial tasks.
- ✓ They are responsible for implementing the decisions made by top management.

2.3. Managers at the highest level

According to Griffin (2010), top managers constitute a relatively small group of directors who managing the entire organization (for example: Chairman Robert Lutz in Chrysler or Andrea Jung, president in Avon.). Titles in this group are: president, vice president and chief executive. Managers at the top, along with the Director General (CEO) is responsible for planning, placement and selection of appropriate targets and guidelines for action of the organization.

Managers at the highest level shall submit a report to the Director General (CEO) and President of the organization. Director General (CEO) and President are responsible for the good working relationship between managers at the highest level, who are at the helm of the different sectors and usually have a vice president title. Director General (CEO) has a central task to create a team of top management, which works well, drawn from him, the president and leaders of departments.

Apart from the managers of mid-level, managers at the highest level to care of the work of all departments and with responsibilities for their interconnection (Robbins, Stephen & Coulter, 2005, p. 6). They determine the objectives of the organization and have a number obligations, such as which products or services to be produced in the company, what will be the interconnectedness of different sectors, as good managers of medium level in every sector use of the resources to achieve their goals and so on. Finally, are responsible for the success or failure of the organization, their work is constantly monitored by the people in and outside the organization, such as employees and investors. Top management is most in need of conceptual abilities. This means that the manager is able to perceive the organization as a whole, to recognize the interdependencies and relationships of individual organizational units, has the ability to improve the welfare of the organization and make the most complex decisions.

In a short summary, the top management is necessary to have:

- ✓ Wide knowledge in the area of roles and the skills that should own the managers.
- ✓ Awareness of the external factors affecting.
- ✓ Sense and responsibility for decisions made because are long term
- ✓ .Ability to use analytical, directive, conceptual and / or behavioral and participative processes.
- ✓ Proven managerial qualities and qualifications.

3. Changes in the hierarchy of managers

The tasks and responsibilities of different levels in the hierarchy of managers dramatically changing recent years. More top-level managers encourage managers to the lowest level to look beyond the objectives of their sectors and to find new opportunities to improve the performance of the organization.

In order to reduce costs, the CEOs and their teams of managers at the highest level organizations restructure and change the hierarchy of management, to reduce the number of employees who receive a salary. Restructuring and job cuts of many managers of high, medium or low, and other employees, leading to a reduction of the workforce in the organization and reduce its operations. Thus providing greater financial efficiency and enabling the organization would use other resources.

But restructuring can cause negative consequences, due to the risk to lower morale of other employees who are concerned about safety on the job. Managers at the highest level, in many organizations fired employees realized that overreached layoffs due to the increased number of consumers who complained of the quality of services received.

Large, profitable organizations today employ some 10% less managers, compared with the situation a decade ago. General Motors, IBM, Digital Equipment Corporation and many other organizations canceled several layers of middle-level managers.

Managers of middle level, that still have their jobs at companies must accept additional responsibilities at work and are under constant pressure. Often happens these managers who were previously responsible for coordination and supervision to perform tasks, that previously been carrying out managers to the lowest level, and at the same time to monitor and coordinate the work of the people under their control.

Changes are evident also among the managers at the lowest level in the hierarchy, whose work consists of supervising of employees in manufacturing or services. Many organizations due to reducing the costs and improve the quality, take the following steps:

- 1) Elevated authorization of the labor force, expanding the duties and responsibilities of employees.
- 2) Created self-managed teams, groups of employees who are given responsibilities for supervision of its activities and quality control of products and services *obezbeduvaat*. Self-managed teams take a lot of responsibilities and tasks previously performed managers of lowest level.

The question is: What is the role of management to the lowest level in this new work context? They are acting as instructors or mentors, and their task is to give advice and guidance by which will help the teams to find new ways for more effective performance of their duties.

4. Conclusion

Management is represented and required in almost all segments of people's lives: in the profitable and non-profit organizations, small and large enterprises, institutions, organs of government, politics, education or in any organizational form in which individuals, working together pursuing defined tasks and accomplish certain goals. Successful management requires hiring a well-trained workforce that actively participates in carrying out activities for achieving the quality. The continuous training of staff supports the process of quality directed at satisfaction of consumers. Employees are encouraged to take more responsibility, communicate more effectively, work more creatively and be innovative. For all this, of course, most important is the good placement of hierarchy or schedules of all levels of managers.

The management is very important, and often crucial factor for successful business in the modern turbulent operating environment. In this connotation, particularly underlines the importance of professional management. It specifically means that professional management is not handled by the entrepreneur (owner of capital) but hired professional managers, allocated at the levels in the organization.

With the growth and expansion of business, by increasing the number of employees, expansion of functional units and geographic diffusing of the business inevitably creates a particular managerial structure, which is reflected

through the hierarchy of the managers. This means that unless the top management which has so far performed all management tasks pop up new managers that can be managers of middle and top level managers. Through the hierarchy all management functions are carried out with proper coordination of tasks appropriately of the managerial levels.

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