

Concepts...



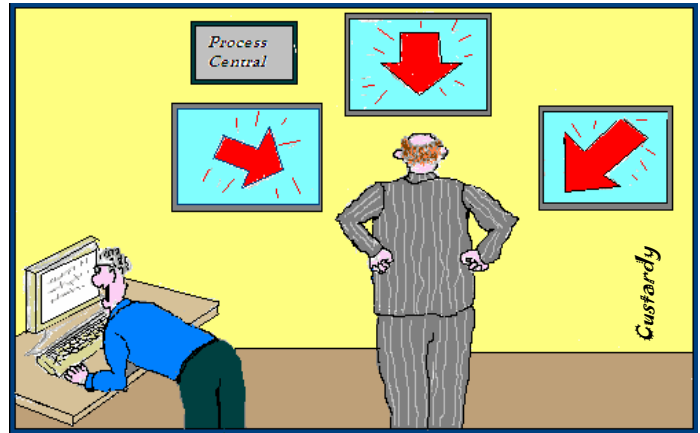
"Concepts" is published by Parvidya Design Partners to raise as many questions as it answers. It is driven by the belief that the industry, its products and its services are ever evolving. The ideas reflect the challenges faced in the continuous journey of innovation and improvement.

Management Process:

"To see a world in a grain of sand and a heaven in a wildflower, hold infinity in the palm of your hand and eternity in an hour." – William Blake. If only all the secrets to management could be contained within a single page.

A newly appointed President of a major commercial bank, who previously had been head of operations and head of the retail bank, was reported to have walked onto the bank's trading floor the day of his appointment and famously said, "You all work for me now. Buy low. Sell high!" A country manager of an international document management company once confided, "It's all in the margin!"

A manager's primary objective is to generate or contribute to the generation of a profit for a business. All other objectives are geared to making this objective a reality. The many varied disciplines involved in this pursuit and the specialization that they require often obscures the link to the "profit" objective. The disciplines will include: **Strategy** where industry knowledge, intelligence and scenario planning define the business goals. From this, clear functions responsibilities and back-ups can be defined. **Production**, from where the product is delivered. **Product Investment**, which includes the product research, design, development, mergers and acquisitions. **Marketing and Sales** to generate new or grow current client business. **Post Sales Support**, which is often classified as Service or Relationship Management, where the clients' interaction with the business is managed. **Administration**, which covers the maintenance of all records, documentation, procedures and controls for the business processes. **Resource Planning**, which covers all staffing needs, e.g. compensation, performance, benefits, training and succession planning. **Business Management**, where the financial success of a business is overseen through product management, which identifies opportunities for new clients, new business or business growth and measures success through ROI. **Technology**, for all systems development and support. **Information**, which encompasses the functions of business process monitoring, MIS, performance dashboards or industry benchmarking. Lastly, **Management Support**, which covers a series of staff functions including: Compliance, Risk, Credit, Finance, Legal, Communications, Vendor Management, Infrastructure, Purchasing and Project Management. However, the above is just a list of functions and does not address the real "challenge" in the management process.



"There's no malfunction sir, but it seems to think it has identified the biggest problem in the organization!"

Managing or contributing to all these disciplines means juggling multiple priorities with limited guidance on their criticality or the standards by which performance can be judged. Also, the different disciplines suit different temperaments. A great administrator can run a "tight ship" with high quality but may be perceived as inflexible. The creative Design Chief may build successful products but can often leave service and resource issues for others to rectify.

The priority of multiple tasks has to be linked to the balance of emphasis across all tasks. For example, managing the exception creates high profile opportunities for the people who successfully address them. This ironically puts a performance emphasis on exception resolution, when the exception should be prevented and avoided altogether, if at all possible. If a management team is too busy mopping the floors to fix the leak in the roof, there will be a great deal of justified activity based on a confused emphasis.

Managing has no simple answer and all the above does not address the unique requirements of your location, industry, market or product. What ever you do, continuously monitor and adapt. Similar to investing, you will tend to a certain style, many of which work well. The key, as with investing, is to follow your style but monitor the returns and adjust your strategy accordingly.

Parvidya Design Partners would be pleased to discuss the realization of these concepts with you further. We thank you for your consideration.

December, 2004

This document is presented for information purposes only and in no way should be construed as advice or legal opinion. The contents remain the sole property of Parvidya Design Partners. You may discuss these ideas with Parvidya Design Partners by contacting the e-mail address listed below:

"Custardy" cartoons are reproduced here with the kind permission of Putney Bridge Enterprises