Management:

The process of coordinating activities so that they are completed ==efficiently== and ==effectively== with and through people.

4 Functions of management process:

1. Planning:

Planning is the process of deciding what objectives to pursue during the future time period and what to do to achieve those objectives.

Formal plan: Written documented plan developed through an identifiable process.

Functional plan: Originate from the functional areas of organization as production, marketing, finance and personnel.

Planning horizon: Short, intermediate and Long range.

Example:

Devising a detailed action plan aimed at some organisational goal.

1. Increase sales (plan)
   a. Contact prior customers
   b. Increase advertisement
   c. Placing items on sale
2. Organise the above steps and present.
3. Planning can be done for organisational, division, department or team goals

Strategic planning: top-level (organisational) and long range planning

Strategic plans serve as a framework for lower level planning

Operational(Tactical) planning: middle to low-level and short range planning, formulation of functional plans

- Routine tasks of the department using a high level of details
- Eg. Pizza store: Scheduling employees each week, assessing ordering and stocking inventory, creating a monthly budget, promotion advertisement, performance goal for employees.
- Single Use plans and on-going plans
- Ongoing Plan include:
  - Policy: general statements or guidelines that aid a manager in understanding routine responsibilities. Eg. hiring, training etc.
  - Procedure: details out the step-by-step process of carrying out a certain task such as assessing, ordering, stocking inventory
  - Rule: provides managers and employees with specific and explicit guidelines of behaviour

Contingency planning: Backup planning

Strategy: Outlines the basic steps management plans to take to reach a set of objectives and outlines how management intends to achieve its objectives.

1. Corporate(Grand) Strategies: Address which business an organization will be in and how resources will be allocated among those businesses.

a. Growth Strategy: Used when the organization tries to expand, as measured by sales, product line, number of employees, or similar measures like increase in profits, revenues, market share or number of places in which a company does business.
   Companies can grow by merging with or acquiring other companies of same or different businesses
b. Stability Strategy: used when the organization is satisfied with its present course. Continue what the company is doing just doing it better
c. Defensive(Retrenchment) Strategy: Used when a company wants or needs to reduce its operation. It includes laying off employees (downsizing), closing poorly performing branches, offices and stores and closing entire lines of products and services.

Strategic Management: Formulation, proper implementation, and continuous evaluation of strategic plans; determines the long-run directions and performance or an organization. The essence of strategic management is developing strategic plans and keeping them current.
Strategic thinking: long-term view and seeing the big picture including the competitive environment and the organisation and how they fit together.
It involves thinking
- What changes and trends are occurring in the industry
- Who are the competitors, who are the customers
- What does the future holds for the industry
These are solved by targeting specific customers, focus on core competencies, provide synergy and create value.

2. Organising:
Involves grouping activities, assigning activities, and providing the authority necessary to carry out activities. Tells how to distribute resources and organise employees according to the plan.
Organising includes:
1. Identify roles
2. Delegate authority
3. Assign work
4. Provide direction

Span of Management: Number of subordinates a manager can effectively manage, also called span of control.
British World War I general Hamilton said no more than six subordinates.
1933, V.A. Graicunas analysed subordinate-superior relationships in terms of mathematical formulae and concluded that complexity of managing increases geometrically as the number of subordinates increases arithmetically.

Myths of Management:
1. Management is mainly concerned with bookkeeping (accounting)
2. It is all about mathematical modeling
3. It is primarily concerned with financial analysis.

History of management education in India:

1. Commerce education started in 1886. Initially, in India, Management programme started within the commerce department. Even, at one point of time, having an B.Com/M.Com was considered equivalent to MBA
2. Sydenham College, founded in 1913, in Bombay was the first University affiliated college of Commerce in India.
3. Mainly a post independence phenomenon
4. Indian Institute of Social Welfare and Business Management, in 1954, first to offer management education.
5. There is also something called MBA-Equivalent graduation programs who come out of Distance Education Programs of IGNOU, AIMA , AOU and so on. Even some of the leading business houses are establishing their own business schools. Few examples are Kirloskar with a Business School in Karnataka, Reliance, IRMA
6. * -- add more points -- *
   http://lib.unipune.ac.in:8080/xmlui/bitstream/handle/123456789/7779/12_chapter%202.pdf?sequence=12&isAllowed=y

Rational System Model (Taylorism 1911):
Frederick Taylor (1856-1919):

1. Founding father of organisational studies. Scientific Management approach (mechanical engineering)
2. Factories were springing up everywhere and standardized ways of managing large groups of people didn't exist
3. Wanted to make organisations more standardized, efficient and productive
4. Scientific Management = studying tasks carefully and systematically at the micro level to speed up work
5. "Rules of thumb" - saw it as unproven and inefficient
6. Believed in division of labor and viewed man as one driven by 'fear of hunger' and 'search of profit'
7. Looked for the "one best way" to do every task to improve productivity
8. Wanted a clear Chain of Hierarchy (Managers to think about work process, employees follow directions)
9. Scientific selection and training rather than passive training and most productive workers to be paid more and fire the bad workers
10. Method: Time and motion studies, least amount of time to perform each task and fewest motion, people as machines.
11. Eg. Shovel Experiments: Exact amount of poundage a shovel should hold. 10 guys, pile of sands to 10 feet over to the other side. Overnight cut off a piece of metal off of each shovel. Peak graph. 21.5 pounds. Small shovels more trips (motion), large more time.
12. Mustard 3 times with 1 nozzle bottle in Subway or 1 motion across with 3 nozzle bottle. If such studies are there in each part cutting, putting meat, lettuce etc. productivity booms. Any fast food restaurant.
13. Henry Ford: took this to the next level, 12 hrs to make cars initially, time and motion studies, made an assembly line, 93 min to make cars.
14. Boeing: 737s assembly line style, plane rolls along with tools and workers with a few feet and hour, triple production rate

15. Adv of Taylorism: 2x productivity, consistent higher quality product, more work with fewer people
16. Disadv of Taylorism: companies fail to pay employees more, separated workers from greater meaning of work (not connected to their work), made employees expendable, employee burnout, survival of the fittest, dehumanization.

Division of Labor (1776):
Adam Smith(1776)
1. Used the example of the pin factory
2. A pin maker can make 1 pin per day by himself, at max 20
3. 10 pin makers after dividing work into 18 tasks can produce about 12 pounds of pins per day = 48000 per day.
4. Three factors in such a drastic increase in production:
    a. Improving skills: they were performing one step over and over thereby perfecting their skill and increasing speed.
    b. No changing work: they were saving time wasted in switching tasks.
    c. Inventing machine: A person is very likely to invent a machine to automate this simple task. Makes a point of laziness here. Steam engine invented because of this
5. Division labor seems to be at its highest in most developed countries
6. Agriculture doesn't allow division of labour since different crops in different seasons and one crop can't employ a person for an entire year.
7. Existence of different professions is division of labour

Departmentalization:
1. Departmentalisation is about grouping people together into logical units to establish a physical environment such that employees can achieve work effectively and efficiently and have the right people around them.
2. Functional Departmentalization: grouping people together based on their expertise like accounting, finance, marketing, operations etc. goal: increase collaboration within that functional area and it is easier to improve as you have people of the same background who can mentor. Disadvantage: Collaboration outside suffers, if working on products, engineering sends to marketing and they send it back.
3. Geographic departmentalisation: Organising based on location. Usually the location of the customers. International companies use this, put people who knows the culture and adapt to consumer preferences
4. Product departmentalisation: Based on the product that they create. Apple uses this. Structure for each individual product. Can produce competition based on the importance of the product.
5. Process departmentalisation: based on the process that they create something. Process with tomatoes, tomato sauce, can tomato, dice tomato, most common with manufactures. Group people by the specific process that they use to create that product. Specific equipment involved. Specialisation and expertise
6. Clientele departmentalisation: Based upon customers they serve, department stores, women section, men section. Making it easy for the customers. Specialisation by improving skills of employees. Electronics department only thing, gets really good at it.

Theory of Bureaucracy():
Max Weber(1864-1920):
1. German sociologist and political economist
2. He thought that the major problem in organisations was authority. He saw that most workplaces use relationship, customs to lead and make decisions.
3. Paticularism: employees were hired or fired based on a variety of non-organisational reasons such as religion, race, sex, family connection etc.
4. Wanted a more rational approach through clarified leadership and rules for decision making
5. Legal rational authority: legitimate authority of leadership position should be formalized and fixed to those positions.
6. The ideal official conducts his office....(in) spirit of formalistic impersonality
7. Organisation should be run by formal rules and policies. Authority should reside with position or authority not the person.
8. Division of labor, hierarchy of office (each lower office is under the control and supervision of higher one), set of general rules that govern performance (can't fire if performing on those general rules) , rigid separation of personal life and work life (guard against particularism in case of married couple, send to different department), selection of personnel on basic of technical qualification and equal treatment of all employee, participants view employment as a career (Employment constitutes a career. There is a system of promotion according to seniority or number of achievements or both), tenure protects from unfair arbitrary dismissal.
9. Administration, college campus, government, military examples of bureaucracy.
10. Disadv.: Red Tape: Overemphasis on structure, policies and procedures that slows or prevents needed actions.

Hawthorne Studies (1927-1932):
1. Conducted at western electric hawthorne works in Chicago (telephone equipments), where Harvard Business School Professor Elton Mayo examined productivity and work conditions
2. Mayo wanted to find out the effect of fatigue and monotony on job productivity and how to control them through activities such as rest breaks, work hours, temperatures , humidity and illumination.
3. Expected output to improve if the lighting of work areas was improved. Output went up in all cases whether lightning was improved or not. Having proved nothing, these studies were shut down by the national academy of science.
4. Relay making was picked for the new experiment, 6 young women assembled telephone relays and frequent changes were made in working condition with their consent. This was the industry's first scientific inquiry into employee attitude. Overall production increased by 30%.
5. No one supervised the women and were told to work as they felt comfortable.
6. Researchers found that output rates weren't directly related to the physical conditions of the work.
7. Mayo believes "what actually happened was that six individuals became a team and the team gave itself wholeheartedly and spontaneously to cooperation in the experiment. The consequence was that they felt themselves to be participating freely and without afterthought, and were happy in the knowledge that they were working without coercion from above or limitations from below."

8. This led to the creation of the human relations theory of motivation and a shift towards the social system model. Positive relationships and clear communication leads to increase in motivation. This led to the development of the first ever personnel department.
9. Employees should be treated more like humans than robots. Well being of employees is of more importance
10. Criticism because mayo's experiment was unscientific in design, number of participant too small, over simplifies human behavior to satisfied workers lead to productive workers

Maslow's hierarchy of needs:
1. Five basic level:
    a. Physiological: food, water, sleep, air
    b. Safety: Security, health, Job
    c. Belongingness: Friendship, family groups
    d. Esteem: Respect from others, self respect and self confidence
    e. Self Actualisation: Reaching one's full potential (fulfil the purpose of life) "Be all you can be"
2. Higher needs only assume a dominant role in our lives after our more primitive needs are satisfied.
3. Organisations:
    a. Psychological: Pay check, free lunch, vending machine
    b. Safety: Swipe Cards entrance, Health Insurance, Security Cameras, Gym membership
    c. Belongingness: Socializing after work, sport activities
    d. Esteem: praise, perks, bonuses, celebrations (Self confidence & self respect can't provide)
    e. Self actualisation: Training, Special projects, freedom to Innovate

McGregor Theory X and Theory Y (1960):
1. Professor at MIT, oppose to classical management
2. Interested in what motivates people to work
3. "How do our beliefs shape our behavior?"
4. Theory X:
    a. The average man is by nature indolent and works as little as possible
    b. He lacks ambition, dislikes responsibility and prefers to be led
    c. He is inherently self-centered, indifferent to organisational needs
    d. He is by nature resistant to change
    e. He is gullible, not very bright
5. Without active intervention by management people would be passive and resistant and therefore need to be persuaded, rewarded, punished, controlled
6. Force breeds counterforces: Theory X -> control -> employee resist -> poor results -> theory X
7. Theory Y:
    a. Physical and mental effort in work is natural as play or rest
    b. External control and threat of punishment are not the only means to bring about effort towards organizationational goals

      c. In modern industrial life, the intellectual potentialities of average human beings are partially utilized.

      d. Commitment to objectives is a function of the rewards associated with their achievement. Most significant rewards are satisfaction of ego and self-actualization needs.

      e. Average human being not only accept but also seek responsibility

      f. The capacity of high degree of imagination is widely distributed in population

8. Theory Y beliefs that we can arrange things for individuals to achieve their own goals as well as organization's goals at the same time.
9. He used Maslow's hierarchy of needs to shape his view of theory X and Y

3. Leading:
connecting with employees at an interpersonal level
1. Communicating
2. Motivating
3. Inspiring
4. Voluntary follow a leader, forcefully otherwise

Competency:
Means the ability to do something successfully or efficiently.
1. Self competency: Developing yourself and taking responsibility. Integrity and personal drive. Balancing work and life issues. Self aware of personal development activities. Role model. Recognise the things you don't do well and know what company needs.
2. Communication competency: interpersonal and intrapersonal communication, sending the message in the right perspective. Ability to effectively transfer and exchange information. Informal and formal communication. Informal builds a good social network and formal to announce major events and keep individuals up to date. Negotiation skills to settle disputes.
3. Diversity competency: Understanding, appreciating all cultures in the organisation. Cultural openness and sensitivity to how others think, act and feel. Respectful of social etiquette variations and language differences. No particularism or favouritism
4. Ethics competency:
5. Teamwork competency: Accomplishing tasks through small groups of people through coordination. Designing teams properly, settling conflicts, sharing team success and assigning tasks to fully utilize the team members' strengths. Creating a supportive growth environment.
6. Change competency: Changing technology (data analytics), strategic planning and competitive environment, Increase threat to security. Changing goals of the organisation.

4. Controlling:
evaluate the results against the goals
1. If not met take corrective actions to work against the goal

5. Staffing (included in some):

evaluating, recruiting, selecting, training and placing appropriate individuals into defined job roles

Human Resource management has been defined in terms of "planning, organizing, directing, and controlling of the procurement, development, compensation, integration, maintenance, and separation of human resources to the end that individual, organizational, and societal objectives are accomplished."