



Unit - I

Introduction -1

OUTLINE...

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2. Concepts of Management

As an art of getting things done

As a process

As a discipline

As a science and an art

As an emerging profession

3. Meaning & Definitions

4. Nature of Management/ Salient features of Management

5. Management Vs. Administration

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1. Introduction to Management

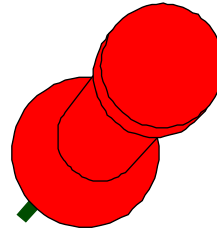
We are all managers of our own lives, and the practice of management is found in every facet of human activity. And we always deal with setting, seeking and reaching objectives.

Your mother's role as a manager: -

- **She forecasts the needs of the household**
- **She takes stocks of her resources**
- **She plans and organizes her resources so that to get maximum benefit out of it.**
- **She monitors and controls the household budgets**
- **She divides the work among other members of the family and coordinate their activities**
- **She is always in search for improvements of the objectives in household.**

All these are management by your mother.

The term MANAGEMENT conveys different meanings depending upon the context in which it is used.



The performance of organizations depends to a large extent on how their resources are allocated and their ability to adapt to changing conditions.

Successful organizations know how to manage people and resources efficiently to accomplish organizational goals and to keep those goals in tune with changes in the external environment.

2. Concepts of Management

- Some of the important concepts of management are as follows-

Management as an art of getting things done

Management as an art of getting things done through others, defined by Mary Parker Follett-, which means that managers achieve organizational objectives by getting work from others, but by their own they do nothing.

However, the above definition speaks that workers are termed as a factor of production only. They have no social and psychological needs. They are supposed to do what they are told and they have no say in the organization. And this misleading the definition.

Thus management is certainly more than just getting work done through others. Harold Koontz defined *management that- the art of getting things done through and with people, in formally organised groups; which is most appropriate.*

Management as a process

Management is called as a process, because it comprises a series of functions (such as-planning, organizing, staffing, directing and controlling) that lead to the achievement of certain objectives.

Again as a process, management has two broad features, like-

- Management is a continuous process and

- The functions of management are interrelated and interdependent.

Management as a discipline

As management implies a field of study or branch of knowledge, it is known as a discipline. It comprises concepts, theories, principles, skills and problem tackling techniques.

Management as a science and an art

Science is a systematic body of knowledge based on proper findings and verification through different experiments. Here the principles are universally accepted. As management consists of all these activities, it is called up as a science.

Again art means to bring a desired result through the application of skills. Which is nothing but the application of knowledge and skills. And the process of management involves these activities, so called as an art.

Thus management is both as a science and an art.

Management as an emerging profession

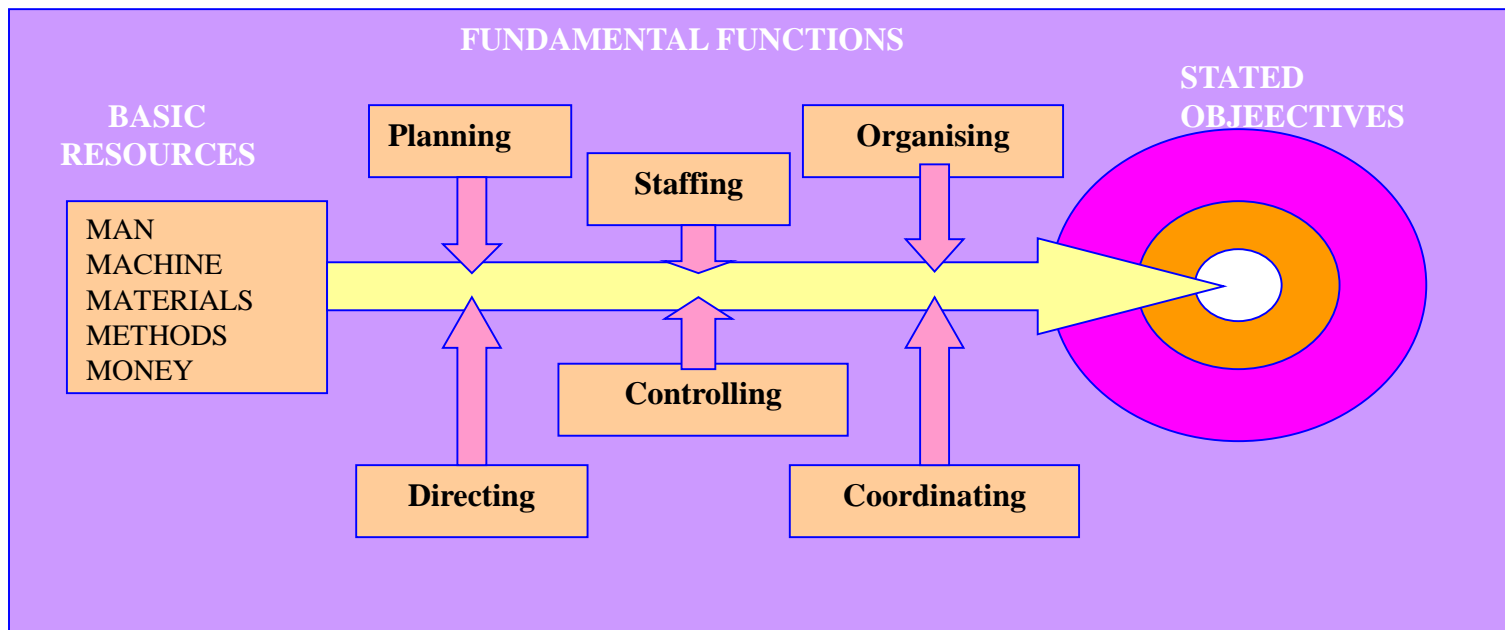
A profession is

- ☐ an occupation backed by specialized body of knowledge,
- ☐ educational requirement and training,
- ☐ having an ethical code of conduct for self regulation,
- ☐ which is duly recognized by the national body & society.

As management covers all the above dimensions, it is widely accepted as a profession.

3. Meaning and Definitions

- *Management is a distinct social process- consisting of activities like planning, organizing, staffing, directing, coordinating and controlling; to determine and accomplish the stated objectives with the proper utilization of human beings and other resources.*



And from this it is clear that MANAGEMENT is an activity that converts disorganized human and physical resources into useful and effective results.

Management in the New Millennium



- A firm can be *efficient* by making the best use of people, money, physical plant, and technology.
- It is *ineffective* if its goals do not provide a sustained competitive advantage.
- A firm with excellent goals would fail if it hired the wrong people, lost key contributors, relied on outdated technology, and made poor investment decisions.

Basic Purpose of Management

EFFICIENTLY

*Using resources wisely and
in a cost-effective way*

And

EFFECTIVELY

*Making the right decisions and
successfully implementing them*

4. Nature of Management/ Salient features of Management

- *Management is a social process:* - Because it is concerned with interpersonal relations. It is done by people, through people, with people and for people. It is the development of people not the direction of things.
- *Management is a distinct process:* - As all the function sin Management are interwoven that one can't lay down the exact sequence and their relative significance.
- *Management is a continuous process:* - When one starts from the first function in management i.e. planning, he has to go for planning again on the basis of his first observation after controlling of the first activity. It's a never-ending process.
- *Management is an intangible force:* - But its presence can be felt everywhere in the form of results. During operation of the functions management is intangible but after the results everybody is feeling it.

- ***Management is goal oriented/ purposeful:*** - Management means/exists toward the accomplishment/achievement of specific goals. The success of management is measured by the extent to which the desired objectives are achieved.
- ***Management is an integrative force:*** - The essence of management lies in the coordination of individual efforts into a team. Management reconciles the individual goals with organizational goals.
- ***Management is an economic resource:*** - As management is a factor of production together with land, labour and capital.
- ***Management is situational:*** - Because there is no one best way of doing things. A successful manager must take into account situational differences.
- ***Management is a system of authority:*** - Management is a team of managers; represent a system of authority, a hierarchy of command and control. Authority enables the managers to perform their functions effectively.

- ***Management is a multidisciplinary subject:*** - Management is grown as a field of study taking the help of so many other disciplines such as engineering, sociology and psychology, etc. Much of the management literature is the association of these disciplines.
- ***Management is essentially an executive function:*** - As it deals with active direction and control of the activities of people to attain predetermined activities.
- ***Management is both science and art: - already defined***
- ***Management is universal in nature:*** - Management is required in every form of group activity. The approach/ style of management may differ from one organization to other, but in each case it involves the marshalling of human and physical resources for the attainment of common objectives. The fundamental principles of management are applicable in all areas of organized efforts. Managers at all levels perform the same basic functions.

5.Management Vs. Administration

Points of Distinction	Administration	Management
1. MEANING	Administration is concerned with the formulation of objectives, plan and policies of the organization.	Management is a distinct social process- consisting of activities like planning, organising, staffing, directing, coordinating and controlling; to determine and accomplish the stated objectives with the proper utilization of human beings and other resources.
2. NATURE	It is a determinative or thinking function.	It is an executive or doing function.

3. SCOPE	It is concerned with the determination of major objectives and policies.	It is concerned with the implementation of policies.
4. LEVEL	It is mainly a top-level function.	It is largely a middle level or lower level function.
5. INFLUENCE	Administrative functions are influenced mainly by public opinion and other outside forces.	Management decisions are influenced by the objectives and policies of the organisation.
6. DECISION-MAKING	Administration determines what is to be done and when is it to be done.	Management decides who shall implement the decisions made.
7. DIRECTION OF HUMAN RESOURCE	It is concerned with leading and motivation of middle level executives. It is not directly concerned with direction of human efforts.	It is concerned with leading and motivation of operative workforce for execution of plans. It is actively concerned with the direction of human efforts in the execution of plans.

8. MAIN FUNCTIONS	Planning and control are the main functions of it.	Directing and organising are the main functions of it.
9. ENVIRONMENT	Administration has direct interaction with external environment of business, which enables it to make strategic plans to deal effectively with the environmental forces.	Management is mainly concerned with internal forces, i.e., objectives, plans and policies of the organisation.
10. SKILLS REQUIRED	Conceptual and human skills are required in administration.	Technical and human skills are required in management.
11. USAGE	Used largely in government, public sector firms and non-business organizations.	Used mainly in private organizations/business organizations.

6. Objectives of Management

- The main objective of any business is to go for profit maximization, in the competitive environment. And in order to achieve all this, management has to pursue the following objectives-

Efficient use of resources.

Satisfaction of customers.

Adequate return on Capital.

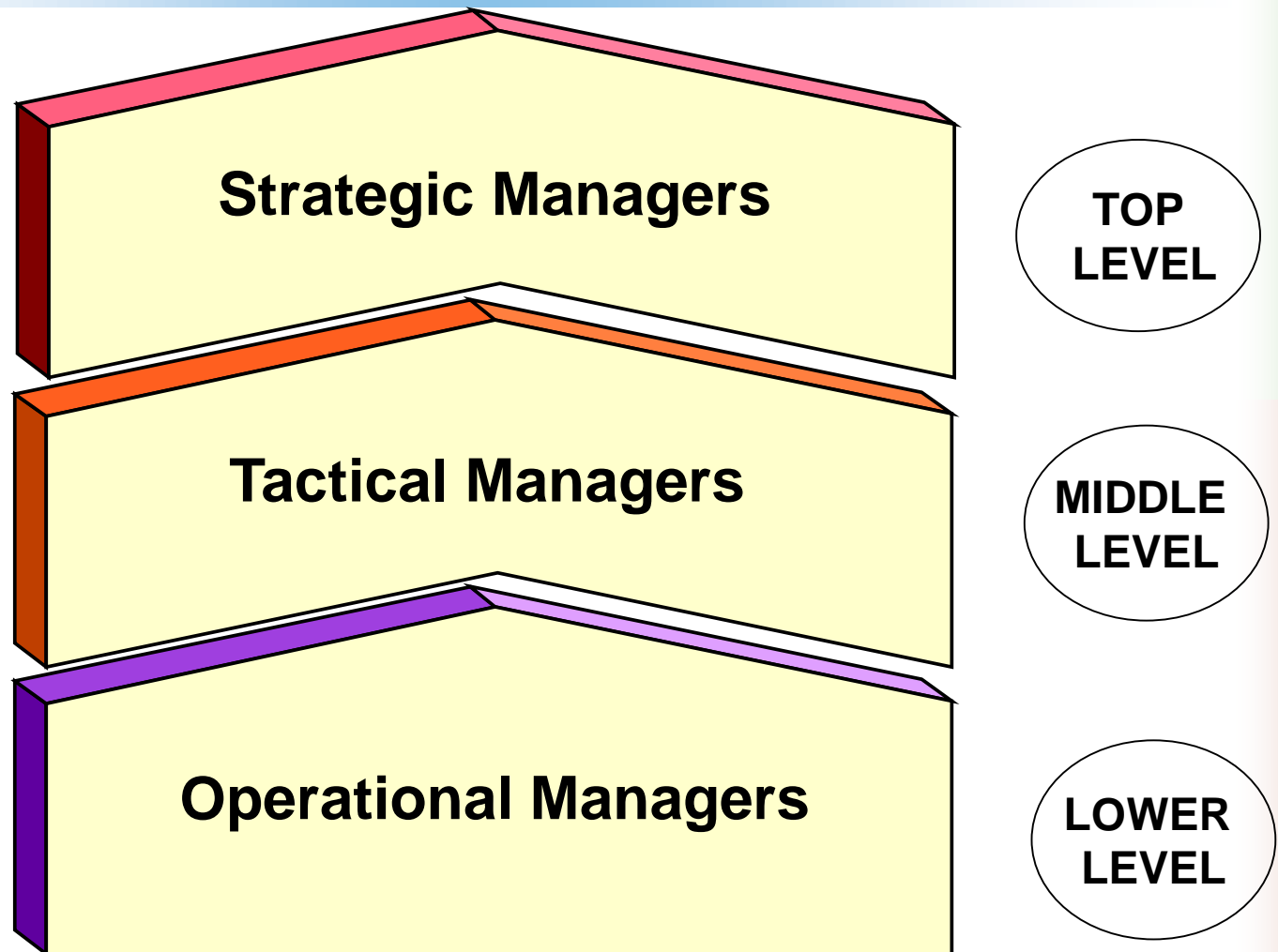
Satisfied workforce.

Good working condition.

7. Importance of Management/ Significance of Management

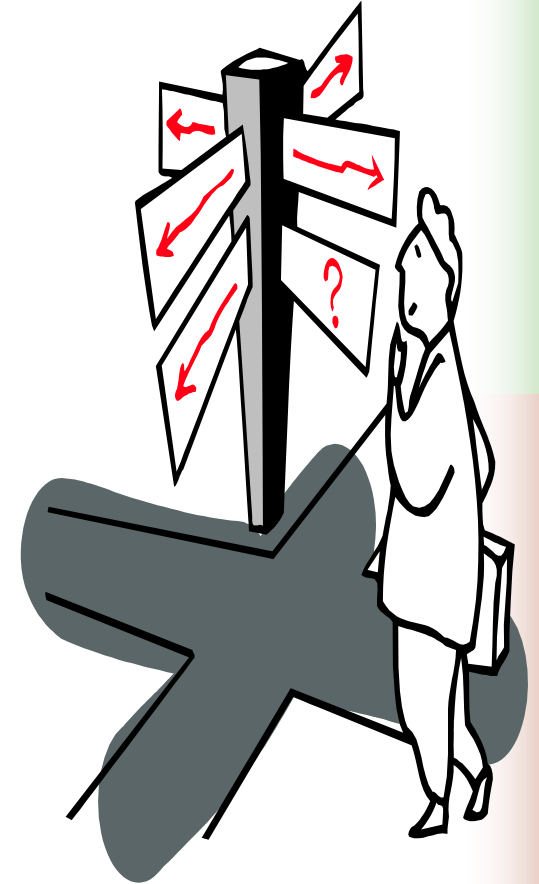
1. The management determines the objectives of any organization. No organization succeeds, unless its objectives are clearly identified and defined.
2. Again management is an essential activity to accomplish the objectives of an organization, by perfect coordination of human and non-human resources.
3. Management is no more restricted to the mere exercise of authority; it also involves scientific thinking, deciding & thoughtful organization, direction & control to ensure better results.
4. Management keeps itself in touch with the current changing environment and supplies foresight to the organization. It helps in predicting what is going to happen in future, which will influence the working of the organization.
5. Management reconciles the personal interest of people (attached with the organization) with the organizational objectives.

8. Levels of Management



Strategic Managers

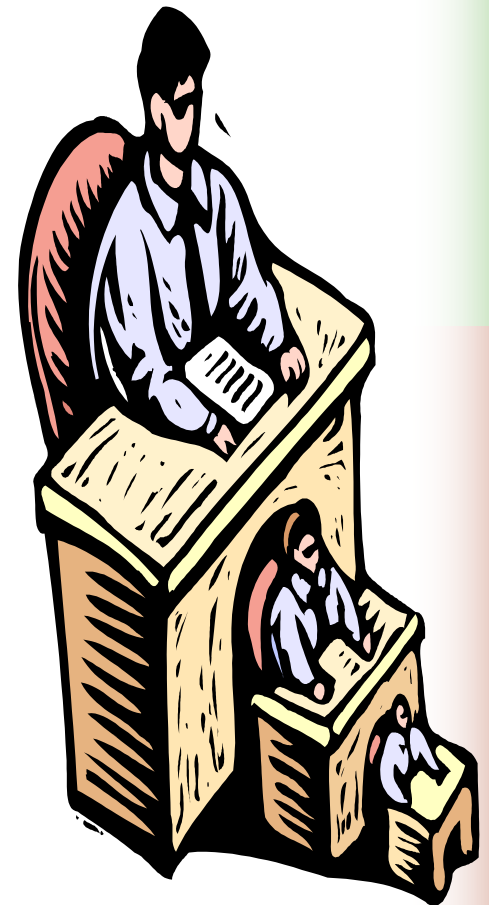
- **The firm's senior executives with overall responsibility for the firm.**
 - Developing the company's goals
 - Focus on long-term issues
 - Emphasize the growth and overall effectiveness of the organization
- **Concerned primarily with the interaction between the organization and its external environment.**



Tactical Managers

- **Responsible for translating the general goals and plans developed by strategic managers into specific objectives and activities.**
 - Shorter time horizon
 - Coordination of resources
 - put the top management plans into practice
 - coordinate the functioning of their respective departments

These are *middle managers*

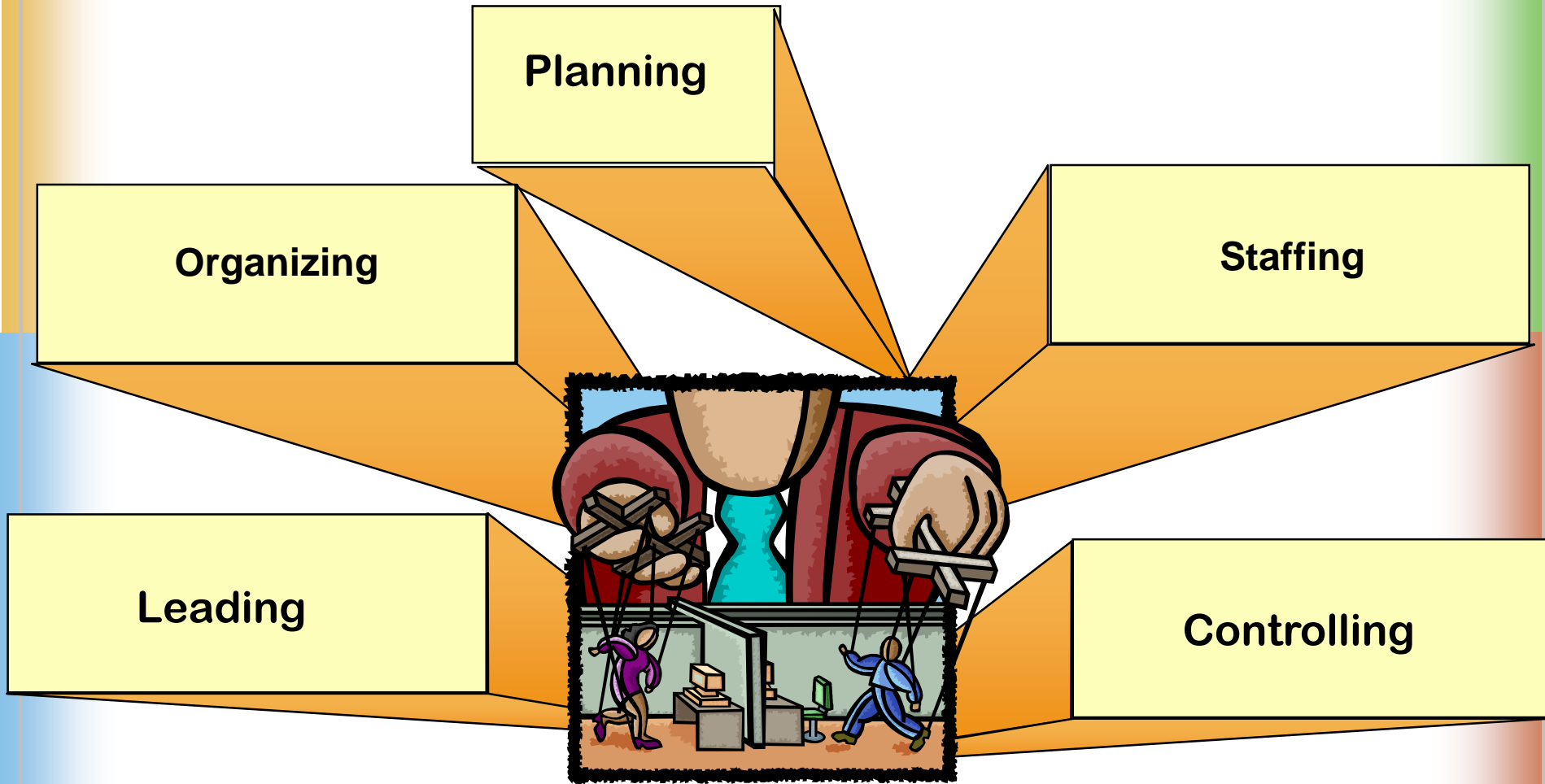


Operational Managers

- **Lower-level managers who supervise the operations of the organization.**
- **Directly involved with non-management employees**
 - Implementing the specific plans developed with tactical managers.
 - This is a critical role to the organization.
 - Operational managers are the link between management and non-management staff
 - Plan day-to-day activity within the goals lay down by the higher levels managements

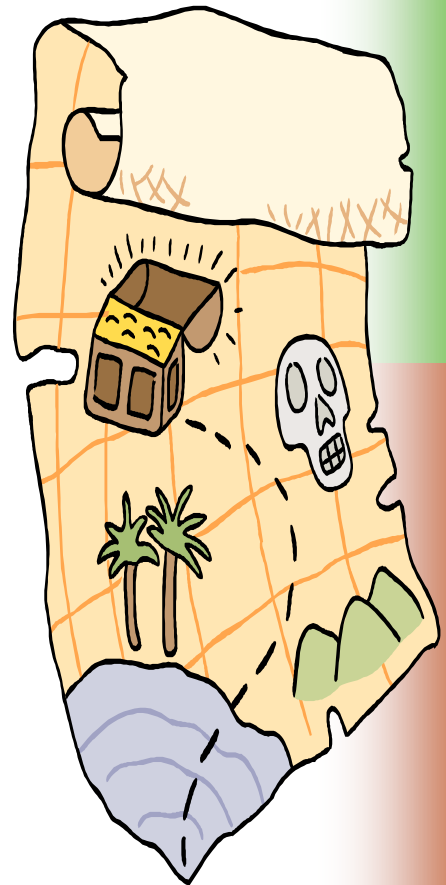


9. Functions of Management & Interrelationship between them



Planning

- The management function that **assesses the management environment** to set **future objectives** and map out activities necessary to achieve those objectives.
- To be effective, the objectives of individuals, teams, and management should be coordinated to support the firm's mission.
- It involves deciding in advance –
 - What to do?
 - When to do?
 - Where to do?
 - How to do?
 - Who is to do?
 - And how the results are evaluated?



Organizing

- The management function that determines how the firm's human, financial, physical, informational, and technical resources are arranged and coordinated to perform tasks to achieve desired goals.
- The deployment of resources to achieve strategic goals.
- Determining and define the activities required for the achievement of planned goals.
- Grouping the activities into logical and convenient units.



Staffing

- It means the process of filling all positions in the organization with adequate and qualified personnel.
- In management, staffing means, -
 - Manpower planning- involving determination of the number and the kinds of personnel required.
 - Recruitment for attracting suitable personnel to seek jobs in the enterprise.
 - Selection of the most suitable persons for the jobs under consideration.
 - Placement and orientation of employees.
 - Transfer and promotion of employees.
 - Training and development of employees.

Leading

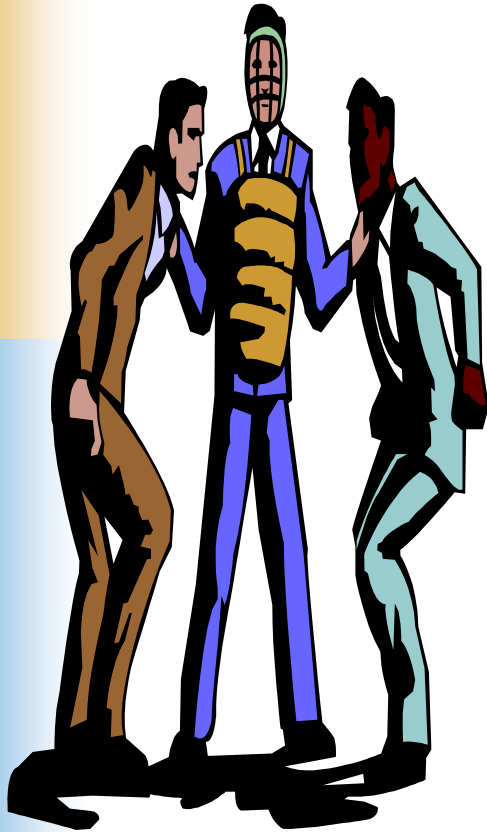
- **The management function that energizes people to contribute their best individually and in cooperation with other people.**
- **It means to guide, supervise, motivate and lead people in organization towards the attainment of stated objectives.**

This involves:

- Clearly communicating organizational goals
- Inspiring and motivating employees
- Providing an example for others to follow
- Guiding others
- Creating conditions that encourage management of diversity



Controlling



- The management function that measures performance, compares it to objectives, implements necessary changes, and monitors progress.
- It means checking actual performance with the agreed standard that has planned to satisfy the satisfactory performance.
- In management, controlling means-
 - Establishing standards for measuring works performance.
 - Measurement of actual performance and comparing it with the standards
 - Finding the variances between the two and the reason therefore, and
 - Taking corrective action for correcting deviations so as to ensure attainment of objectives.

Functions and Levels of Management



Planning



Organizing



Staffing



Leading

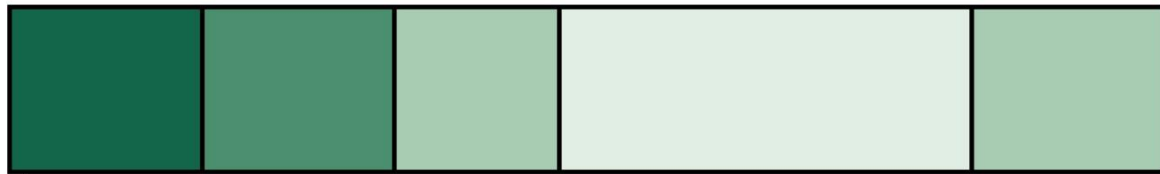


Controlling

Top
Management



Middle
Management



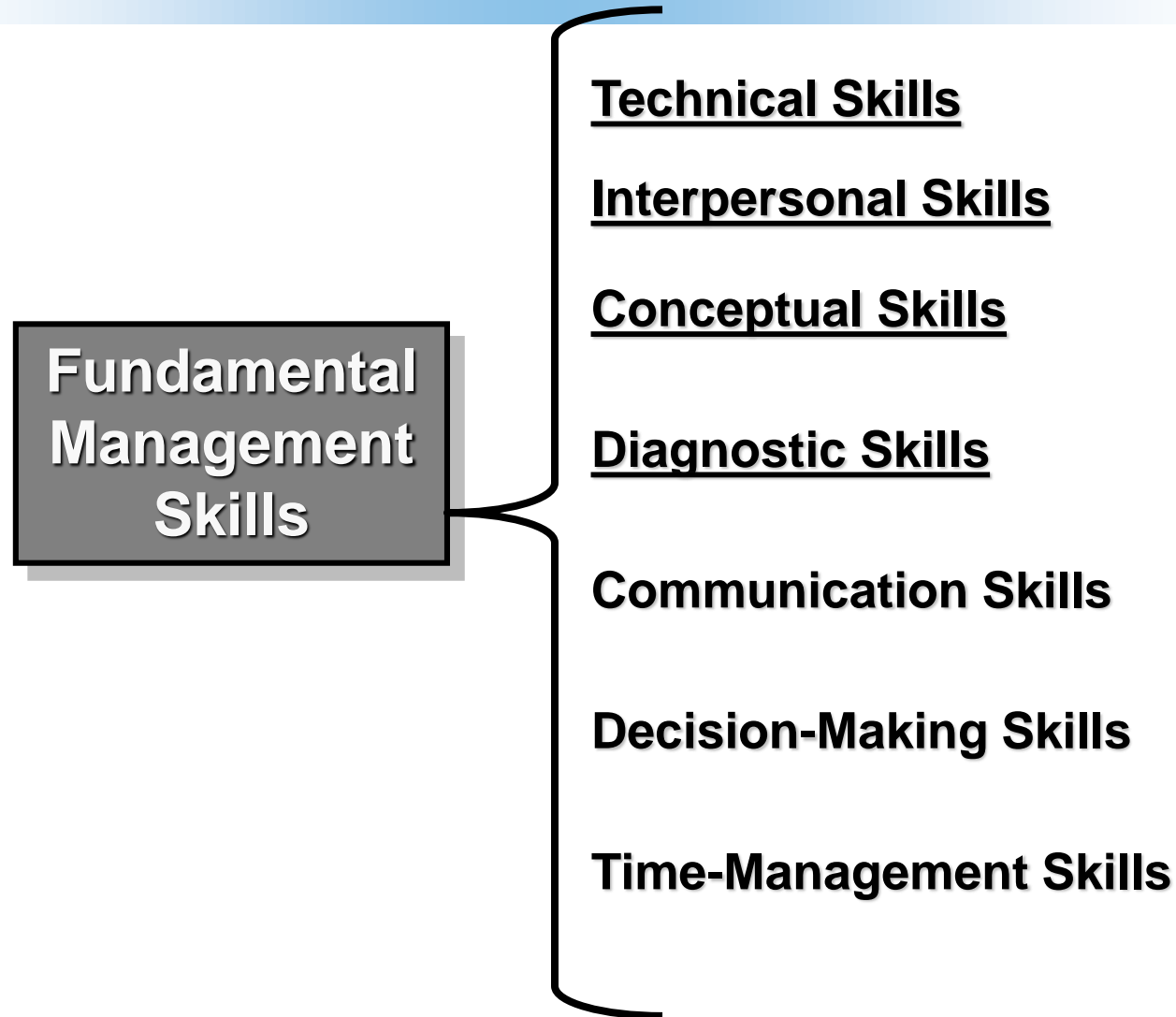
First-Line
Management



Time



10. Management skills and importance of it at different level



Fundamental Management Skills

- **Technical**

- Skills necessary to accomplish or understand the specific kind of work being done in an organization.

- **Interpersonal**

- The ability to communicate with, understand, and motivate both individuals and groups.

- **Conceptual**

- The manager's ability to think in the abstract.

- **Diagnostic**

- The manager's ability to visualize the most appropriate response to a situation.

Fundamental Management Skills (cont'd)

- **Communication**

- The manager's abilities both to convey ideas and information effectively to others and to receive ideas and information effectively from others.

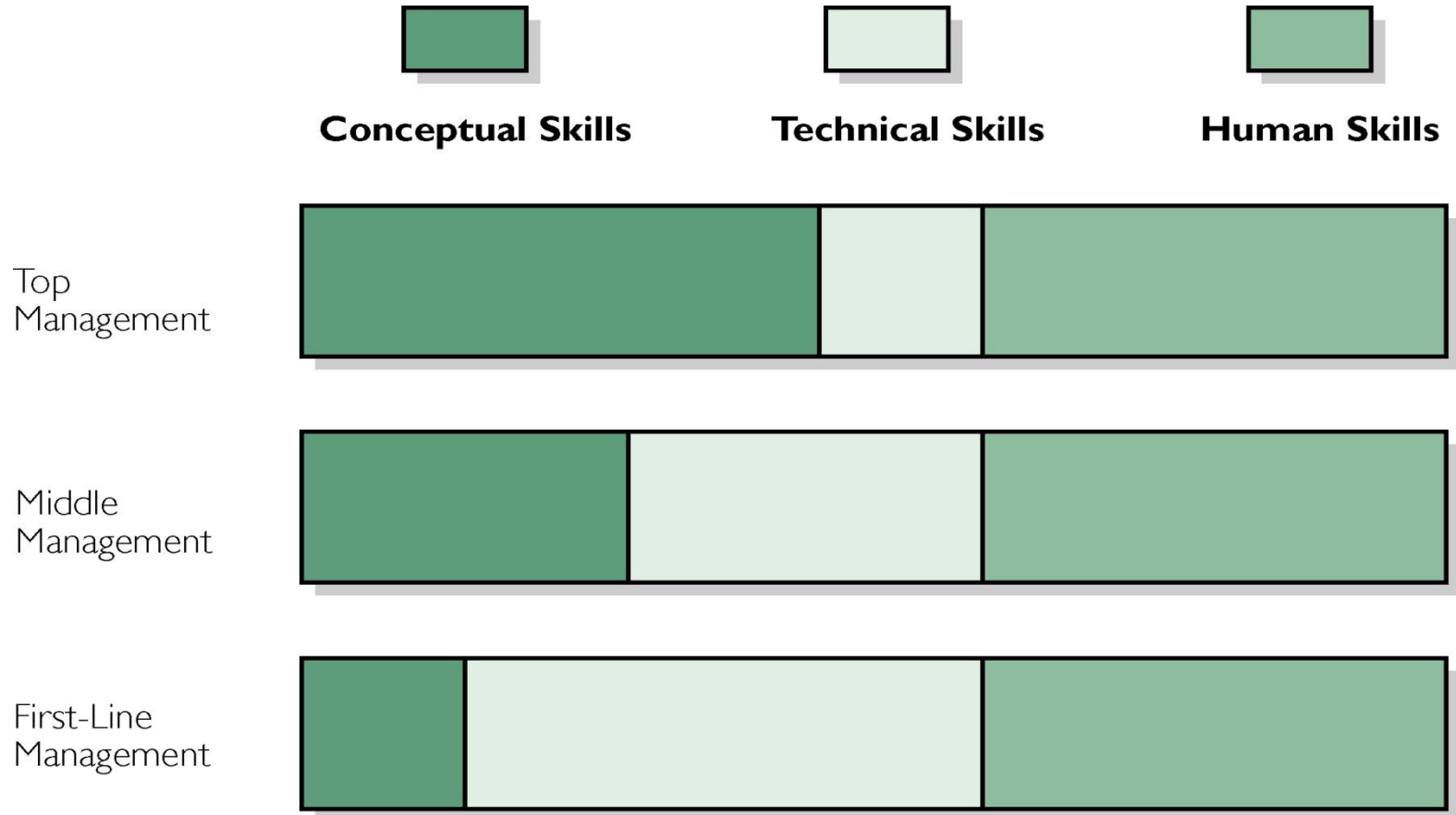
- **Decision-Making**

- The manager's ability to recognize and define problems and opportunities correctly and then to select an appropriate course of action to solve the problems and capitalize on opportunities.

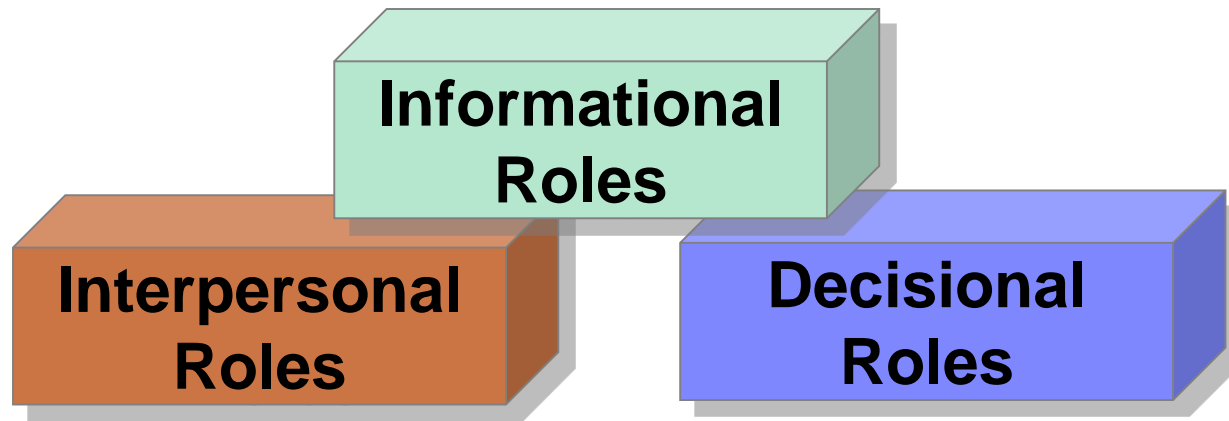
- **Time-Management**

- The manager's ability to prioritize work, to work efficiently, and to delegate appropriately.

Skills & Levels of Management



11. Role of Managers



These include:

Interpersonal roles - communication with superiors, peers, subordinates, and people from outside the organization.

Information Roles - obtaining, interpreting, and giving out information.

Decisional Roles - choosing among competing alternatives.

Sl. No	ROLES	SUB ROLES	DESCRIPTION	TYPICAL ACTIVITIES
1.	<u>INTERPERSONAL ROLES</u>	Figurehead	Symbolic head; performs routine duties of a legal or social nature.	Ceremony and status requests.
		Leader	Responsible for motivation of subordinates and for staffing and training.	Almost all managerial activities involving subordinates
		Liaison	Maintains network of outside contacts to obtain favours and information.	Handling mail, external Board work, and telephone calls.

2.	<u>INFORMATIONAL ROLES</u>	Monitor	Seeks and receives information to obtain through understanding of organization and environment.	Reading periodicals and observational tours.
		Disseminator	Transmits information received from outsiders or insiders to other organization and environment.	Forwarding mail, review sessions with subordinates.
		Spokesman	Transmits information to outsiders on organization plans, policies and actions.	Board meetings, handling mail.

3.

DECISIONAL ROLES

Entrepreneur

Initiates and supervises design of organizational improvement projects as opportunities arise.

Strategy and review sessions regarding change efforts.

Disturbance Handler

Responsible for corrective actions when organization faces unexpected crises.

Strategy and review sessions regarding disturbances.

Resource allocator

Responsible for allocation of human, monetary and material resources

Scheduling, requests for authorization, budgeting.

Negotiator

Responsible for representing the organisationin bargaining and negotiations.

Collective bargaining, purchasing.