

# 1 Nature and Significance of Management

## Learning Objectives

- 1.1. Meaning of Management
- 1.2. Concept of Management
- 1.3. Process of Management
- 1.4. Effectiveness Vs. Efficiency
- 1.5. Characteristics/Features of Management
- 1.6. Importance of Management
- 1.7. Nature of Management Art, Science and Profession
- 1.8. Levels of Management
- 1.9. Coordination
- 1.10. Management in the Twenty First Century

## INTRODUCTION

Every individual requires money to fulfil his needs. He cannot do all activities alone. He has to do work in a group by taking help from the others whether it is a sole proprietorship business or any other type of organisation. As the size of the organisation grows, different assistants known as managers are needed to carry out the activities of the organisation. In order to carry out business activities, such managers at different levels working in different capacities have to interact with the subordinates and get the work done from them. Different human beings have different behaviours. The challenge before the manager is to bring the desired changes in their behaviour and reconcile them with organisational goals to achieve its objectives. So, what the manager does by utilising the resources to achieve the organisation's goals is known as management.

Management is essential for all types of organisations, big or small, for profit or not for profit, service or manufacturing, private or government. It is the force which regulates (coordinates) the activities of each individual in an organisation just like human mind regulates all the activities of the individual.

## 1.1 MEANING OF MANAGEMENT

### Management means Manage-Men-Tactfully

Managing the men tactfully means that while a manager deals with the employees in the organisation, he needs to be very much tactful in getting the work done which is assigned to them.

#### 1.1.1 Traditional Approach

*“Management is the art of getting things done through people.”* —**Mary Parker Follett**

Traditionally, management was meant to get things done through others. The employees were used to get the work done for the employers' selfish motives. Employees were exploited and underpaid due to lack of employment opportunities, limited production, limited turnover, etc. They were used as commodities and not as an asset. Their aspirations, requirements and ambitions were ignored. Employers took full advantage of their necessities. Compensation was decided by the employers at their own will.

#### 1.1.2 Modern Approach

*“Management may be defined as the art of securing maximum prosperity with a minimum of efforts so as to secure maximum prosperity and happiness for both employer and employee and give the public the best possible service.”* —**John F. Mee**

In the modern era with the impact of globalisation, local markets have become global markets, local economies have integrated with the world economy, and international relations have improved over the decades. Most governments have liberalised their policies to enable free flow of goods and services, national and international procedures concerning to export and import have been simplified, governments have privatised their public sector in most of the areas and invited Foreign Direct Investment (F.D.I.) by permitting MNCs to set up their businesses.

### Impact of Modern Approach

In recent years, the number of manufacturers has increased rapidly due to which production is carried out on a large scale. Due to cut-throat competition in the market, the demand for a qualitative workforce has also risen sharply. Now, the employees get better career opportunities, ownership rights in the form of equity shares, a good start, handsome salaries, caring and inspiring working conditions, open culture of gratitude, recognition, reward and appreciation, transparency and mutual trust, part-time and work-from-home options, promotion of talent and growth, Fun and food at work, laundry, gym, entertainment, insurance and healthcare facilities, in-house creche, free meals, special privileges for women like long maternity leave (even paternity leave), minimum one woman director on the board, and the provision for numerous monetary and non-monetary incentives. Now, compensation is decided on the basis of talents, multiple skills and remuneration is no bar for deserving candidates in any industry.

**Conclusion.** The meaning of management is no longer limited to getting the work done. It now makes provision for competitive remuneration, a healthy working atmosphere, good superior-subordinate relationships and other monetary and non-monetary incentives.

### 1.1.2 Management Means Manage Men and Things

Managers deal with two kinds of resources; viz, Human Resources and Physical Resources. These resources are categorised into Men, Money, Materials, Methods and Machines better known as the 5 M's of an organisation can be better understood as follows:

#### Definitions

- ◆ *"Management is the process of working with and through others to achieve organisational objectives in a changing environment. Central to this process is the effective and efficient use of limited resources."* —Kreitner
- ◆ *"Management is the creation and maintenance of an internal environment in an enterprise where individuals, working in groups, can perform efficiently and effectively towards the attainment of group goals."* —Harold Koontz and Cyrill O' Donnell
- ◆ *"Management is the process by which managers create, direct, maintain and operate purposive organisations through systematic, coordinated and cooperative human efforts."* —Dalton E. McFarland
- ◆ *"Management is the coordination of all resources through the process of planning, organising, directing and controlling in order to attain stated objectives."* —Henry L. Sisk

## 1.2 CONCEPT OF MANAGEMENT

Management is necessary where a group of people work together to synchronize their efforts with the goals and objectives of the organisation. The purpose of management is to remove all possible confusion and chaos and bring the order and system in the organisation. The creation of job positions from the top to bottom is known as hierarchy of the management.

It is the job of the management to mobilise, coordinate and make efficient use of all resources (human and physical) effectively so as to achieve the objectives of the organisation as well as its members and society.

#### In A Nutshell

*"Management is the process of working with and through others to achieve organisational objectives effectively by using limited resources efficiently in the changing environment."*

The above definition consists of three terms:

(a) Process, (b) Effectiveness, and (c) Efficiency.

## 1.3 PROCESS OF MANAGEMENT

Management is the process of five functions (classified by Koontz O'Donnell) i.e., planning, organising, staffing, directing and controlling. This can be explained as follows:

**Meaning of Process:** It means a series of functions of management, i.e. planning organising, staffing, directing and controlling. These functions are performed one after another and simultaneously.

1. **Planning:** It is the process of thinking before doing. Planning bridges the gap between where we are and where we want to be. It involves the determination of goals as well as the activities required to be undertaken for achieving them.

2. **Organising:** Organising refers to the creation of an organisational structure to form a hierarchy of job positions, bringing together human as well as physical resources and establishing productive superior - subordinate relations among them for the achievement of specific goals.
3. **Staffing:** Staffing as a function of management is concerned with providing people needed to carry out the tasks and responsibilities designated for each organisational position in a business enterprise. It is the job of the staffing (Personnel) department to identify and select the number of people required from time to time, training and developing the existing and new staff, deciding their salary packages as well as evaluating and monitoring the performance of the employees.
4. **Directing:** Directing is the process of instructing, guiding, counselling, supervising, motivating and leading the subordinates to contribute to the best of their capabilities for the achievement of organisational objectives. Directing is telling the subordinates what to do, how to do and see that they do it to the best of their abilities.
5. **Controlling:** Controlling is the process through which managers ensure that actual performance is according to the desired results. It involves verifying whether activities are in accordance with the plans adopted, instructions issued and results expected and if deviations are found, rectifying the same.

All the above functions of management are undertaken one after the other as well as simultaneously.

## 1.4 EFFECTIVENESS VS. EFFICIENCY

- (a) *Effectiveness:* It means completing the right task correctly to achieve the predetermined goals within given time frame. **For example,** if a company wishes to produce 5,000 units of a commodity in a year but lacks time and the manager operates on double shift and achieves the target. Here, the manager was effective but not efficient because for making the same output more input (labour cost) was used.
- (b) *Efficiency:* It means completing the right task correctly using minimum cost through optimum utilisation of resources (human and physical). It is a relationship between Input and Output. **For example,** if a manager produces required units of a commodity by concentrating on savings, cutting down on cost, slowing down the production but does not achieve the target on time. Here, the manager is efficient but not effective.

**Example:** A manager asks its team to produce 1,000 articles in one month at a desired cost of ₹ 500 per article. Here six situations may arise:

Efficiency	The manager will be efficient if he is able to produce the goods at the desired cost. (here, at ₹ 500 per article)
Inefficiency	The manager will be inefficient if he is able to produce the goods at a cost more than the desired cost. (here more than ₹ 500 per article)
Effectiveness	The manager will be effective if he is able to produce the goods within given time period. (here within one month)

Ineffectiveness	The manager will be ineffective if he is not able to produce the goods within given time period. (here, after one month)
Inefficiency and ineffectiveness	The manager will be inefficient and ineffective if he produces the goods at a cost more than the desired cost (here more than ₹ 500) after the given time period. (here, after one month)
Efficiency and effectiveness	The manager will be efficient and effective if he is able to produce the goods at the desired cost (here at ₹ 500) within given time period. (here, one month)

*“Effectiveness and efficiency are the two sides of the same coin. In the absence of one, other is not useful.”*

Therefore, for an organisation, it is necessary to maintain a balance between effectiveness and efficiency.

#### DIFFERENCE BETWEEN EFFECTIVENESS AND EFFICIENCY

Basis	Effectiveness	Efficiency
1. Meaning	It refers to the completion of work on time.	It refers to completion of work correctly with minimum cost and maximum profits.
2. Purpose	It is concerned with the end result.	It is concerned with using minimum resources and achieving maximum benefits.
3. Focus	It focusses towards the means.	If focusses towards the ends.
4. Exphasis	Doing right things.	Doing things rightly.

## 1.5 CHARACTERISTICS / FEATURES OF MANAGEMENT

Characteristics of Management are relevant for all levels and all types of organisations. Some of characteristics are as follows:

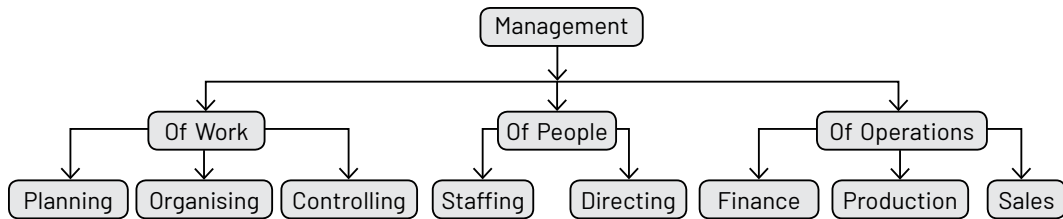
- 1. Management is a Goal-Oriented Process:** An organisation has a set of basic goals which are the basic reasons for its existence. These should be simple and clearly stated. Without goals, the efforts of individuals cannot be united. Goals may be long term as well as short term. Achievement of short-term goals leads to the attainment of long-term goals.

**Example:** For car manufacturing company, manufacturing fuel efficient cars may be the goal whereas providing free education may be the goal of an NGO.

- 2. Management is all Pervasive/Universal:** The activities involved in managing an enterprise are common to all organisations whether these are economic, social or political organisations. Its presence can be felt everywhere and in every type of enterprise but managing the enterprises may be different due to differences in culture, tradition and history.

**Example:** As the head of the school manages affairs of the school so is the head of the family manages the funds for his family. What the managers do for an Indian company, same is done by the managers for the foreign company. Purpose of managing is same but management of affairs is executed differently as per the nature of situations, customs, traditions etc.

- 3. Management is Multidimensional:** Management is a complex activity which includes three main dimensions.



- (a) *Management of Work:* The work of an organisation is managed with the help of planning and organising. With the help of planning, goals and objectives are decided, with the help of organising, organisational structure is created and resources are arranged and with the help of controlling, the deviations in the actual performance from the planned performance are checked and eliminated.
- (b) *Management of People:* The work of an organisation is managed with the help of staffing and directing functions. Through staffing, right and correct number of employees are recruited and selected for different posts. Through directing, employees are guided and instructed now to achieve the objectives in a best possible manner.
- (c) *Management of Operations:* Total work of an organisation is divided into different departments and each department is run by its respective heads. These departments are purchase department, sales department, finance department and marketing department.
- 4. Management is a Continuous Process:** The process of management is a series of continuous but separate functions (planning, organising, directing, staffing and controlling). These functions are interrelated and overlapping with no predetermined sequence. These functions are simultaneously performed by all managers all the time.
- Example:** Different departmental heads achieve their objectives in consultation with other departments. Opinions, suggestions, problems are shared which keep the functioning of all departments going on smoothly. Controlling function becomes basis of planning for the next year.
- 5. Management is a Group Activity:** An organisation is a collection of different individuals with different needs. Every member of the group has a different purpose in the organisation. Therefore, management requires teamwork and coordination of individual efforts in a common direction. At the same time, management should enable all members to grow and develop.
- Example:** When the different departmental heads or group of individuals work in group and in consultation with one another, they can eliminate common hardships and working in team helps each head or individual achieve more than what they can achieve in isolation.



T - Together  
E - Everyone  
A - Achieves  
M - More

- 6. Management is a Dynamic Function:** Management is a dynamic function and has to adapt itself to the changing environment as it interacts with its external environment. In order to be successful, an organisation must change itself and its goals according to the needs of the environment.

**Example:** When McDonald's came to India, it had to make changes in its menu according to the Indian culture and KFC also faced problems while setting up its outlets for the first time in India.

- 7. Management is an Intangible Force:** Management is an intangible force that cannot be seen but its presence can be felt through the functioning of the organisation. The effect of management is noticeable in an organisation where targets are met according to plans, employees are happy and satisfied and there is orderliness instead of chaos, lack of motivation and falling output.

**Example:** If a company declares bonus or issues shares to its company, it makes the employees more loyal and committed towards the organisation. It is done so due to good results, higher productivity and market standing in the industry due to the combined efforts of an employees.

## 1.6 OBJECTIVES OF MANAGEMENT

Objectives are the ends towards which all the efforts and activities of the people in an organisation are directed. In other words, objectives give meaning and direction to the efforts of people in an organisation. The objectives of management can be classified as follows:

- 1. Organisational Objectives:** The most essential objective of an organisation is the optimum utilisation of human as well as physical resources for achieving the three economic objectives of the organisation which are as follows:
  - (a) *Survival:* Management must strive to ensure the survival of the organisation. In order to survive, an organisation must earn enough revenue to cover costs.
  - (b) *Profit:* Mere survival is not enough for any organisation. Management has to ensure that the organisation makes profit. Profit provides a vital incentive for the continued functioning of the enterprise.



(c) *Growth*: To remain in the industry, the management must completely utilise the potential of the organisation. Growth of the business can be measured in terms of sales volume, increase in the number of employees, products (diversification) or capital investment.

**2. Social Objectives:** These objectives are set for the welfare of society. All organisations must recognise their responsibility towards the society. These days, business organisations function with a twin objective i.e., profit earning and social welfare. Achievement of social objectives is nothing but corporate social responsibility (CSR). The major social objectives of the organisation are:

- (a) Supply of quality products at reasonable prices.
- (b) Creation of employment opportunities for the differently/specially abled (Divyaang) persons.
- (c) Health facilities for general public.
- (d) Price regulation.
- (e) Using environmental friendly methods of productions.
- (f) Organising educational, health and vocational training programs.

**3. Personnel Objectives:** These objectives are set for the welfare of employees. While framing policies, management must consider the individual ambitions and expectations of their employees, which they would like to satisfy while working in the organisation. In the absence of satisfaction of personal objectives, the employees may lose interest in work and their performance may fall down. Therefore, an organisation must combine individual objectives with organisational objectives wherever possible. Personal objectives are as follows:

- (a) Competitive salaries and perks
- (b) Personal growth and development (promotion, training, etc.)
- (c) Peer recognition (self respect and respect for colleagues)
- (d) Social recognition
- (e) Good and healthy working conditions for employees.

## 1.7 IMPORTANCE OF MANAGEMENT

The importance of the management can be understood with the help of the following points:

- 1. Helps in achieving Group Goals:** Management solves the conflicts which arise among workers with clashing aspirations in the most effective manner and satisfies their expectations to every possible extent. By doing so, management shifts their attention from achieving individual goals to achieving organisational goals.
- 2. Management increases efficiency:** The managers ensure efficiency is achieved with the production of goods with the optimum use of all resources while focusing on elimination of wastages and better planning, organizing, directing, staffing and controlling.
- 3. Management creates dynamic organisation:** Every organisation functions in the changing business environment. It is the responsibility of managers to encourage



the employees to adapt themselves as per changes if some resistance is faced from employees. It is necessary to maintain competitive edge and survival.

4. **Helps in achieving Personal Objectives:** A manager motivates its team members through fulfilling requirements and leads through achieving willing cooperation from employees to perform their work as a team in such a manner that individual members are also able to achieve their personal goals. Through motivation and leadership, the management helps individuals develop team spirit, cooperation and commitment to group success.
5. **Helps in the Development of Society:** In the process of fulfilling its objectives, organisation through management helps in the development of society by providing good quality products and services, creating employment opportunities and adopting new technology for the benefit of the people.

## 1.8 NATURE OF MANAGEMENT : ART, SCIENCE AND PROFESSION

### 1.8.1 Management as an Art

Art refers to personal and skilful application of existing knowledge to achieve desired results. It can be acquired through continuous practice, creativity, personal observation and experience.

**Examples of being an artist:** Dancer, Potter, Musician, Director, Actor, Designer etc. all are artist in their respective fields.

A manager is also an artist as he applies his personal knowledge and experience to get the work done from his employees. Getting the work done by different managers differ from manager to manager. Let's understand to what extent the management fulfils the conditions of the field 'Art':



"You don't learn management from books alone..."

### Application of for art in management

1. **Existence of theoretical knowledge:** Art presupposes the existence of some theoretical knowledge. Experts derive the knowledge through certain basic principles of their fields. Similarly, education in the field of management is imparted with the help of theoretical knowledge in various colleges and universities.

**Example:** Availability of literature, drama, painting, fashion designing and management.

This feature is present in the field of management.

2. **Personalized Application:** Art is purely a personalized application of knowledge in a particular field. The performance of two artists cannot be the same. Similarly getting the work done by the managers is purely personalized application of their knowledge and experience and their effectiveness varies from person to person.

**Example 1:** Performance of two actors, two fashion designers and two managers cannot be the same.

**Example 2:** According to a survey, small e-tailers emerged as more focused and real winners in the presence of three big market players like Amazon, Flipkart and Snapdeal, both had to defer their deep discounting policy. Similarly, online grocery store BigBasket managed to capture a big market share whereas Localbanya lost its existence in a short period.

This feature is present in the field of management.

3. **Based on practice and creativity:** Performance in any art is purely based on practice and the creativity of an individual varies from person to person. Similarly, every manager has his / her own unique style of functioning and delivers results differently.

**Example 1:** A director of a movie makes it hit with his creative directing and a manager is successful due to his creative planning, directing and controlling.

**Example 2:** Dhirubhai Ambani, who was just a matriculate, proved himself as a global leader through his continuous practice and creativity.

**Example 3:** One recent survey has shown how the CEOs of new Start-ups like Flipkart, Snapdeal, OYO Rooms, Paytm etc. have shocked established business houses with their ability and creativity to generate revenue within a very short period of time.

This feature is present in the field of management.

**Conclusion.** Based on above discussion, we can say that the field of management fulfils all features of art. Hence, management is an art.

### 1.8.2 Management as A Science

Science is a systematised body of knowledge that is based on universal laws of operation and cause & effect (action and reaction) relationship which can be tested anywhere, anytime.

The field of management may be said to be science if it fulfils its basic conditions of science.

#### Application of features of science as management

1. **Systematic body of knowledge:** Every branch of science is based on a systematic body of knowledge, certain principles, theories and facts. Similarly, the field of management has its own theory and principles which have been derived after research by management experts in this field.

**Example:** Newton derived the principle of gravity and Henry Fayol derived the principles of management.

This feature is present in the field of management.

2. **Principles based on experimentation:** The principles of science have evolved after observations and experiments under controlled situations. Similarly, principles of management have been derived by management scholars, like Henry Fayol and F. W. Taylor, after repeated observations and experimentation.

This feature is partially present in the field of management.

3. **Universal validity:** The principles of science always produce the same results under different conditions, so they are universally valid. In the case of management,

though the principles are universally accepted as these are applied in almost all organisations but have to be changed as per the conditions.

This feature is partially present in the field of management.

**Conclusion:** Management as science fulfils the conditions of science partly and hence it is an inaccurate or an impure science.

### Enrich Your Learning

#### Management Is Inexact/Impure /Inaccurate Science

It is true that management is not an exact science because it fulfils principles of science fully in some situations and partly in others. It can be proved with the help of the following points:

- ◆ **Systematic Body of Knowledge:** Science consists of a systematic body of knowledge whereas management is a new concept in the modern business. It still has to gain vast knowledge through research and practice.
- ◆ **Universal Application:** Scientific principles applied anywhere, give the same results but management deals with human beings that have an unpredictable behaviour. Therefore, the application of management principles cannot be done in exactly the same manner and have to be modified as per the situation.
- ◆ **Cause and Effect Relationship:** When principles of science are applied, the same results are obtained whereas, in the field of management, the application of principles does not give identical results. For example, fair remuneration provided to the employees does not give the guarantee that the employees would be honest in their work.
- ◆ **Newness:** Science like Physics, Chemistry, Biology, etc., is in existence for many centuries whereas management is the outcome of research and experimentation in the present century.

So, management is impure/inexact science as it does not fulfill all the requirements of science. Management is a behavioural science/social science because it deals with human beings whose nature is always unpredictable. Management is a soft science. Management is a new field of knowledge and its principles are still in the process of improvement. Education, training, research and experimentation are not enough in the field of management but its practice is essential. That is why it is rightly said that managers are made but not born.

#### Management: Both Science and Art

- ◆ Management can be regarded as both science and art because it is the combination of an organised body of knowledge and skillful application of this knowledge.
- ◆ Management is a Science because it uses certain principles and provides a systematised body of knowledge which can be used to train the present and prospective managers. It is because of this reason, the old saying 'Managers are born' has been replaced by 'Managers are made'.
- ◆ Management is an Art because it requires continuous practice and personal skill. The manager must be able to apply his theoretical knowledge in solving day-to-day problems, modifying human behaviour and having his personalised ways of doing work.
- ◆ Like a doctor, a manager too is also required to know not only the principles of management, but also possess the skill to put his knowledge into practice.

### 1.8.3 Management as A Profession

*'A profession is a well-defined body of knowledge, which is learned intellectually; while its entry is restricted and its motive is to serve others.'*

By convention, it generally refers to intellectual pursuits which involve gaining a recognised qualification. Some professions involve manual as well as academic aspects, e.g. engineering, science, etc.

Management as a profession is based on specialised knowledge and skills. The entry to pursue management education is generally restricted through some formal qualification and entrance examination.

In the present era, management is highly recognised as a profession because of the advent of many universities and colleges, which are imparting education in the field of management and also satisfy the features of a profession.

The field of management may be considered a profession as there has been a growing need of management professionals in the corporate form of business. Moreover, the management subject is being taught across the globe to cater to the diverse needs of business organisations in different specialisations.

Let's us understand the extent the field of management fulfils the basic conditions of a profession:

#### Application of Features of Profession in Management

- (a) *Well-defined body of knowledge:* All professions are based on well-defined body of knowledge, which is imparted with the help of written or verbal literature in colleges and universities. Similarly, management is a growing profession, which is taught in various institutes globally.

**Example:** The Indian Institutes of Management (Government funded and self-financed), XLRI (Xavier School of Management, Jamshedpur), Faculty of Management Studies (University of Delhi), Harvard Business School (US), Stanford Graduate School of Business (US), London Business School ((UK).

- (b) *Restricted entry:* Entry to any profession is restricted through any educational qualification, tests, group discussions and interviews etc. Similarly, the entry to management courses is usually restricted through such tests and discussions.

**Example:** The Common Proficiency Test to enter chartered accountancy courses, CAT (Common Admission TEST) / MAT (Management Aptitude Test) Examination to enter the Indian Institutes of Management courses, GMAT (Graduate Management Admission Test) and LSAT (Law School Admission Test) to enter into international management and law colleges.

- (c) *Professional association:* All professions are affiliated to their respective professional associations, which regulate the functioning, award degrees / diplomas, and formulate and enforce code of conduct. They help in bridging the gap between education being imparted and the necessities of corporate sector for professional growth.

**Example:** The Indian Medical Association, Bar Council of India, Franchising Association of India, Hotel Association of India, Indian Banks Association and the Retailers Association of India and others perform such functions.

*Management Associations.* The All India Management Association (AIMA), All India Professional and Management Association (AIPMA), International Faculty of Management Association (IFMA), the Association of Indian Management Schools (AIMS) etc. prescribe code of conduct for its members and regulate management education in consultation with state/central government, educational institutions/bodies, corporate houses, teachers, students and individuals at national and international levels.

- (d) *Ethical code of conduct:* Professional associations governing their respective professions prepare a professional code of conduct which is compulsorily followed by their members but it is not so in case of management profession.
- (e) *Service motive:* The core aim of every profession is first to serve its clients' interests by rendering dedicated and committed services. In case of management, a business organisation operates with the objective of earning profit but this objective does not hold true when the business organisations are facing acute competition. They need to give priority to service while dealing with their stakeholders.

**Conclusion.** On the basis of above discussion, we can conclude that it is not necessary to pursue any management course to become a manager and features of profession cannot be applied to the management with rigidity as management deals in the dynamic environment, which tends to change so rapidly that if we strictly apply the features of profession to management, it would do injustice to it. Hence, management is not a full-fledged profession.

### Enrich Your Learning

#### Management Is A Full-Fledged Profession

It is an important as well as a debatable topic that management is emerging as a profession and the day is not far when management will have all the features of a full-fledged profession like medical/legal profession. The present trend of management is approaching towards being a profession and it can be supported by the following points:



- ◆ **Appointment of Higher-Level Managers:** Although the board of directors are still elected by the shareholders who may not be trained managers but other managers at the upper, middle and lower level management are appointed by big companies on the basis of their professional qualifications.
- ◆ **Replacement of Family Members:** Many established business houses of India like Ranbaxy which was solely run by family members till now, are being replaced by trained managers.
- ◆ **Managers in Public Sector:** Except in case of Departmental Undertaking (these are managed by the cabinet ministers), all other public sector (government sector) business organisations are managed by professional managers. Even in Departmental Undertaking, other than the ministers, all others are professional managers.
- ◆ **Proprietary Managers:** The owner-managers, who were themselves untrained have set a trend to prepare their successors to be professionally qualified. These people have accepted the fact that a trained manager can run a business more efficiently (For example, Reliance Industry).

**Conclusion:** It can be concluded that the top-level management may not satisfy all the conditions of a profession but management is by and large becoming a profession. Hence, management is not a full-fledged profession.

## 1.9 LEVELS OF MANAGEMENT

The series of management positions from top to bottom forms a hierarchy known as the levels of management. In most of the organisations, there are generally three levels of management. These are described as follows:

- Top-Level Management:** It is the ultimate source of authority. It devotes maximum time on planning and coordinating functions.
- Middle-Level Management:** It acts as a link between top level and operative level management. They devote more time to the organisation and directing functions (issuing instructions).

Downward Flow	Levels	Upward Flow	Load of Work	Relations
	Top		Planning & Organising	Superiors of Middle Levels.
	Middle		Staffing and Directing	Superiors of Lower Level and Subordinates of Top Level.
	Lower		Controlling	Superiors of Work Force and Subordinates of Middle Level.

Levels of Management

- Supervisory/Lower-Level Management:** It directly remains in touch with the workers. It devotes maximum time on directing and controlling functions.

### DESIGNATIONS AND FUNCTIONS

S.No.	Level	Designation	Functions
1.	Top-Level Management	<ol style="list-style-type: none"> <li>Chairman of the Board</li> <li>Board of Directors (B.O.D.)</li> <li>Managing Director</li> <li>General Manager</li> <li>Expert Advisors</li> <li>C.E.O., C.F.O., C.O.O.</li> <li>Divisional Heads</li> </ol>	<ol style="list-style-type: none"> <li>It integrates diverse elements and coordinates the activities of different departments.</li> <li>It is responsible for the welfare and survival of the organisation.</li> <li>It analyses the business environment and its implications for the survival of the firm.</li> <li>It formulates overall organisational goals and strategies for their achievement.</li> <li>They are responsible for all the activities of the business and for its impact on society.</li> </ol>

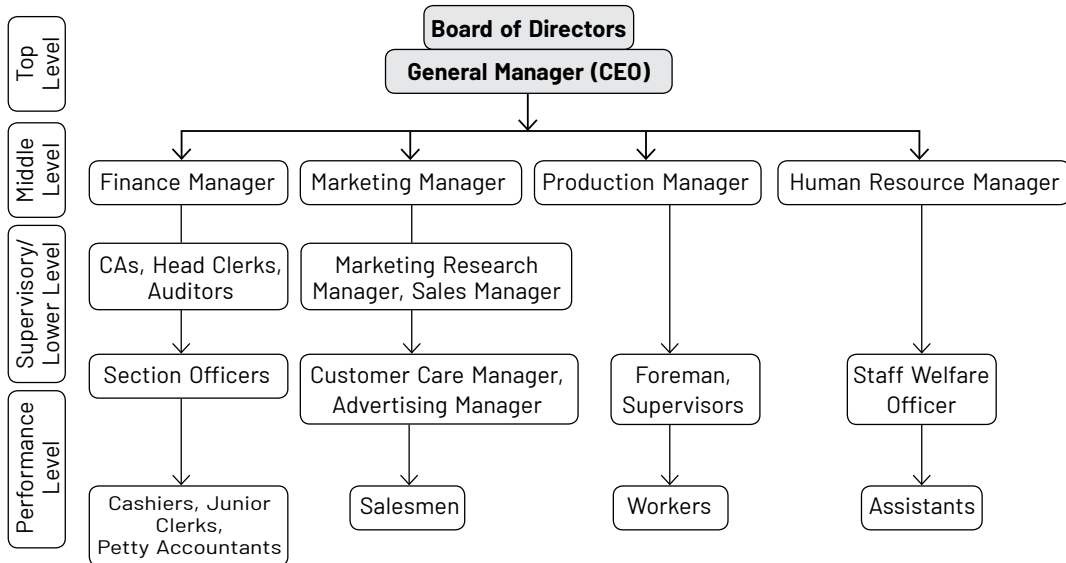
2.	Middle-Level Management	<ol style="list-style-type: none"> <li>1. Departmental Managers/ Heads</li> <li>2. Production Managers</li> <li>3. Marketing Managers</li> <li>4. Sales Managers</li> <li>5. Purchase Managers</li> <li>6. Finance Managers</li> <li>7. Executive Officers</li> <li>8. Branch Managers</li> <li>9. Plant superintendent</li> </ol>	<ol style="list-style-type: none"> <li>1. To interpret the policies framed by top management.</li> <li>2. To ensure that their respective department has the necessary personnel.</li> <li>3. To assign necessary duties and responsibilities to the personnel.</li> <li>4. To motivate the personnel to achieve desired objectives.</li> <li>5. To co-operate with other departments for smooth functioning of the organisation.</li> <li>6. To co-operate with other departments for smooth functioning of the organisation.</li> <li>7. To undertake the responsibility and oversee the activities of first line managers.</li> </ol>
3.	Operative/ Supervisory/ Lower-Level/ First Line Managers	<ol style="list-style-type: none"> <li>1. Foreman</li> <li>2. Plant Supervisor</li> <li>3. First Line Managers</li> <li>4. Sub-Department</li> <li>5. Section Officers</li> <li>6. Clerks / Head Clerks</li> </ol>	<ol style="list-style-type: none"> <li>1. They directly oversee the efforts of the workforce.</li> <li>2. They interact with the actual workforce.</li> <li>3. They pass on instructions of the middle management to the workers.</li> <li>4. They ensure that safety standards are maintained.</li> <li>5. They ensure the quality of workmanship, quantity of output and help reduce wastage of materials.</li> <li>6. They help maintain discipline and loyalty of the workers.</li> </ol>

### Hierarchy of Management

The levels of management determine the amount of authority and status enjoyed by any managerial position. *The chain of command consisting of a series of managerial position is called the hierarchy of management.*



People are arranged into various groups and each group forms a level of management. A detailed hierarchy structure of any organisation is given below:



In an organisation, various people are arranged in a hierarchy which binds them together through a superior-subordinate relationship.

## 1.10 COORDINATION

**Meaning:** It refers to the orderly arrangement of individual and group efforts to ensure unity of action in the achieving planned objectives with a minimum of conflict. It must be noted that coordination is not a separate function of management but no function of management can be performed without coordination.

### 1.10.1 Coordination is the Essence of Management

Coordination is the force that binds together all the functions of the management. It is just like a thread of the garland which unites all the departments of the organisation. Coordination is required at all levels of management while performing each function. It brings orderly arrangement of all the activities to be performed in an organisation and also brings together each department, group, unit and individual closer. It establishes and clears superior and subordinate relationships at all levels. It helps each employee to know his/her status in the organisation. It ensures that the right person is appointed for the right job and right work is assigned to the right person. In a nutshell, it avoids all types of confusion, saves resources and brings harmony in the organisation. So, it is called the essence of management.

### Key Elements of Coordination

- Integration:** It is the unification of efforts of all employees, bringing the desired changes in their attitudes and converting their personal interests into common interest of the organisation.
- Balancing:** It refers to the balancing of the efforts of all departments working in an organisation. Although all departments work independently, their working affects the working of all other departments, like sales department can sell the goods if the production department produces the goods. Similarly, the production department

can produce goods only if the purchase department purchases the raw material. All departments depend upon the finance department without which no department can function. Therefore, all departments have to maintain the balance in their interrelated activities.

- (c) **Timing:** It refers to effectiveness in the work or activities of all departments. All departments need to ensure the timely completion of their work since work of one department affects the working and goals of other department(s) as well.

## Enrich Your Learning

### Cooperation

- ◆ *“Cooperation implies to the collective efforts by the persons working together in an enterprise voluntarily for achieving a common objective.”*
- ◆ Cooperation is the willingness of individuals to help one another and is the result of a voluntary action. On the other hand, coordination is an orderly arrangement of group efforts to provide unity of action in the pursuit of a common purpose.
- ◆ Existence of cooperation facilitates coordination. Efforts without cooperation weaken the existence of coordination and provide undesirable results. **Cooperation is the root of coordination.** Coordination without achieving willing cooperation would be of no use. The difference between coordination and cooperation can be better understood with the help of the following example:
- ◆ **Example:** A boy is willing to take a flight at 3 a.m. for the purpose of an interview and sets an alarm at 2 a.m. Father knowing about the flight, goes to his room and sets the alarm at 1.30 a.m. and similarly mother taking concern sets the alarm at 1a.m. In this way, the son lost 1 hour of sleep and could not do well in the interview. This shows there was cooperation between the parents but no coordination. The son would not have lost his sleep if all of them would have planned the time schedule.

### DIFFERENCE BETWEEN COOPERATION AND COORDINATION

S.No.	Basis	Cooperation	Coordination
1.	Meaning	It implies to collective efforts by the persons working together in an enterprise voluntarily for achieving a common objective.	It is an orderly arrangement of group efforts to provide unity of action in the realisation of a common purpose.
2.	Nature	Cooperation is a behavioural function of employees.	Coordination is a managerial function.
3.	Purpose	To provide willing and voluntary help to colleagues.	To unite the efforts of all individuals working in the enterprise.
4.	Results	Cooperation without coordination bears no fruits.	Coordination without cooperation has no roots.

## 1.10.2 Features / Nature / Characteristics of Coordination

1. **Integrates Group Efforts:** Coordination applies to a group, and not to an individual. Since management is a group activity and people of different backgrounds have to work together, coordination has to be brought in the group to achieve desired goals. In other words, to bring order in the group, coordination is a must.

2. **Ensures Unity of Action:** It is the duty of the manager to provide unity of efforts and the timing of the efforts so that individual efforts and their contributions are channelised in the same direction.
3. **Continuous Process:** Maintaining coordination among various departments, groups and activities is a job to be performed by the managers continuously. Since all the functions have to be performed on continuous basis, they have to be coordinated as well.
4. **All Pervasive Function:** Coordination is required at all levels of management due to the interdependent nature of activities of various departments. It integrates the efforts of different departments at different levels.
5. **Responsibility of all Managers:** Top-level managers need to coordinate with middle level management to ensure that overall policies for the organisations are effectively carried out. Middle-level management coordinates with both the top-level and lower-level managers. Operational-level management coordinates the activities of its workers to ensure that the work gets completed according to the plans.
6. **Deliberate Function:** Despite the cooperation among the workers and departments, coordination still gives *a direction to that willing spirit. Cooperation may lead to wasteful effort but coordination makes it fruitful.*

Coordination without co-operation has no roots and cooperation without coordination bears no fruits.

### 1.10.3 Need / Importance of Coordination

1. **Size of the Organisation:** In large organisations, a number of people from different backgrounds work together, which can create problems in uniting their efforts. Each employee has his own way of working and handling situations. Therefore, coordination plays an important role in integrating individual and group goals.
2. **Functional Differentiation:** All organisations divide their functions into various departments / sections. Each department tries to perform its functions in isolation. Sometimes, the existence of such a department is illogical. In such cases, the goals of the organisation may be ignored but goals of such department may become more important. Coordination solves this problem by linking all the departments/ sections with one another.
3. **Specialisation:** In modern large-scale organisations, there is a high degree of specialisation. The specialists feel that they are qualified to evaluate, judge and decide, and do not take advice and suggestions from others in matters pertaining to their field of specialisation. If the specialists and others are allowed to work without coordination, it may lead to conflicts. The efforts of various specialists are linked together not only with one another but with the goals of the organisation as well.

All this proves that coordination is not a separate function of management rather it is the essence while performing any of the functions of the management.

## 1.11 MANAGEMENT IN THE TWENTY FIRST CENTURY

Till late 70s, the field of study as management was not popular. The business organisations would use the persons having vast experience as managers. By the late 90s, invention of internet changed the world so rapidly. Through this, the whole world has interconnected, the knowledge is shared and exchanged, physical world has converted into virtual world. The whole world has become a global village. With the help of technology, we are able to share a intercultural relationships, traditions, values, ethics, work culture and more. The technology has made it possible to educate ourselves with the vast knowledge available in the cloud. The management education has spread in all the corners of the world. The local, national and international colleges and universities are imparting world class management education through knowledge exchange programs, seminars, workshops, internships, conclaves, knowledge meet etc. to groom the aspiring management professionals.

### GLIMPSES

- ◆ **Management.** Management is the process of working with and through others to achieve organisational objectives effectively by using limited resources efficiently in the changing environment.
- ◆ **Efficiency.** Doing the right task correctly and using resources wisely in a cost-effective manner.
- ◆ **Effectiveness.** Doing the right task and completing it within the given time period.
- ◆ **Characteristics/Features of the Management**
  - (a) Management is a Goal-Oriented Process
  - (b) Management is all Pervasive/ Universal
  - (c) Management is Multidimensional
    - ◆ Management of work
    - ◆ Management of people
    - ◆ Management of operations
  - (d) Management is a Continuous Process
  - (e) Management is a Group Activity
  - (f) Management is a Dynamic Function
  - (g) Management is an Intangible Force
- ◆ **Organisational of the Management**
  - (a) Organisational Objectives
    - ◆ Survival
    - ◆ Profit
    - ◆ Growth
  - (b) Personnel Objectives
  - (c) Social Objectives

◆ **Importance of Management**

- (a) It helps in achieving group goals
- (b) Increases Efficiency
- (c) Creates Dynamic Organisation
- (d) Helps in Achieving Personal Objectives
- (e) Helps in the Development of Society

◆ **Management as an Art:** Art means personalised application of knowledge which can be gained only through practice. It is important to have the presence of mind, tactfulness and proper judgement to be an artist.

◆ **Features**

- (a) Practical Knowledge
- (b) Personalised Knowledge
- (c) Continuous Practice and Creativity

◆ **Management as a Science:** Management as Science is a systematic body of knowledge that explains general truths, establishes cause and effect relationship based on observations, experiments and verified results.

◆ **Features**

- (a) Systematic Body of Knowledge
- (b) Principles Based on Experiments
- (c) Universal Validity
- (d) Cause & Effect Relationship

◆ **Management is both Science and Art:** Management can be regarded as both science and art because it is a combination of an organised body of knowledge and skilful application of this knowledge.

◆ **Management is a Profession**

- (a) Well defined Body of Knowledge
- (b) Formal Methods of Training
- (c) Fee as Remuneration
- (d) Existence of Ethical Code of Conduct
- (e) Establishment of Representative Bodies

◆ **Management is a Full-Fledged Profession**

- (a) Appointment of Higher-Level Managers
- (b) Replacement of Family Members
- (c) Managers in Public Sector
- (d) Proprietary Managers

◆ **Levels of Management**

- (a) Top-Level Management
- (b) Middle-Level Management
- (c) Operative/Supervisory/Lower Level Management

- ◆ **Hierarchy of Management.** The chain of command consisting of a series of managerial positions is called hierarchy of management.
- ◆ **Coordination.** Coordination may be defined as orderly arrangement of group efforts to provide unity of action in the realisation of a common purpose.
- ◆ **Cooperation.** Cooperation implies collective efforts by the persons working together in an enterprise voluntarily for achieving a common objective.
- ◆ **Key Elements of Coordination**
  - (a) Integration      (b) Balancing      (c) Timing
- ◆ **Features/Nature of Coordination**
  - (a) Integrates Group Effort
  - (b) Ensures Unity of Action
  - (c) Continuous Process
  - (d) Pervasive Function
  - (e) It is the Responsibility of all Managers
  - (f) Deliberate function

## QUESTION BANK

### A. Multiple Choice Questions (MCQs)

1. Which of the following is not a function of management?
  - (a) Planning      (b) Staffing      (c) Cooperating      (d) Controlling
2. The following is not an objective of management:
  - (a) Earning profits      (b) Growth of the organisation
  - (c) Providing employment      (d) Policy making
3. Policy formulation is the function of:
  - (a) Top-level managers      (b) Middle-level managers
  - (c) Operational management      (d) All of these
4. Coordination is:
  - (a) Function of management      (b) The essence of management
  - (c) An objective of management      (d) None of these
5. Which of the following points supports the fact that 'Management is a profession'?
  - (a) Service motive
  - (b) Personalised application
  - (c) Principles based on experimentation
  - (d) Based on practice and creativity
6. Which of the following functions is performed by the middle-level management?
  - (a) Analysis of business environment and its implication for survival of organisation.
  - (b) Maintenance of quality output and minimisation of wastage.
  - (c) Formulation of organisational goals and strategies.
  - (d) Interpretation of the policies framed by the top management.

7. **Top-level management does not:**
  - (a) control the activities of all the departments of the organisation.
  - (b) make sub-plans for the lower level.
  - (c) determine the objectives and policies of the organisation.
  - (d) establish contacts with the outside world.
8. **A Manager has to perform five interrelated functions in the process of managing an organisation which is a system made up of different interlinked and interdependent subsystems. Which concept of the management is highlighted here?**
  - (a) Organisational structure
  - (b) Efficiency and effectiveness
  - (c) Hierarchy of management
  - (d) Coordination
9. **Mr Anil who was an employee in Zebra Cosmetics Limited was able to produce the goods in time but higher cost. Mr Anil was**
  - (a) effective only
  - (b) efficient only
  - (c) effective but inefficient
  - (d) neither effective nor efficient
10. **Which of the following statement best describes that Management is an Art?**
  - (a) The manager must have sound theoretical knowledge of his field.
  - (b) A person needs to have good presence of mind, tactfulness and creativity
  - (c) Entry is subject to formal qualification.
  - (d) The manager must have thorough research and experimentation in his field.
11. **Identify the reason which makes management important in the light of the fact that it is generally seen that individuals in an organization resist change, as a change often means moving from a familiar, secure environment into a newer and a more challenging one.**
  - (a) Management helps in achieving group goals
  - (b) Management creates a dynamic organization
  - (c) Management increases efficiency
  - (d) Management helps in the development of society

(CBSE SP 2022-23)
12. **Allo a mobility platform is in the process of laying off 400-500 employees in a move aimed at driving cost efficiency. Which objective of management will the firm not be able to achieve by carrying out this process.**
  - (a) Efficiency
  - (b) Social
  - (c) Profit
  - (d) Survival

(CBSE SP 2022-23)
13. **The main objective of any organisation should be to utilize human and material Resources to the maximum possible advantage.” The above lines highlight which of the following objectives of management?**
  - (a) Organisational objectives
  - (b) Social objectives
  - (c) Personal objectives
  - (d) Both (B) and (C)

(CBSE Compt. 2020-21)
14. **‘In order to be successful, an organisation must change itself and its goals according to the needs of the environment. Which characteristic of management is being highlighted here?**
  - (a) Management is all pervasive.
  - (b) Management is multi-dimensional.



- (c) Management is a group activity.  
(d) Management is a dynamic function (CBSE Compt. 2020-21)
- 15. The process of management which synchronises the activities of different departments in an orderly manner is:**  
(a) Planning (b) Staffing (c) Controlling (d) Coordination  
(CBSE Compt. 2020-21)
- 16. At times, a business may concentrate on producing goods with fewer resources but cannot achieve the targeted production. In such a case, the business is said to be .....**  
(a) Effective but efficient (b) Efficient but not effective  
(c) Both effective and efficient (d) Neither effective nor efficient  
(CBSE Term I 2021-22)
- 17. The management gives a common direction to the individual effort in 'achieving the overall goal of the organization.'**  
Which point of importance of management is highlighted in this statement?  
(a) Helps in achieving personal objectives.  
(b) Helps in achieving group goals.  
(c) Helps to increase efficiency.  
(d) Helps to create a dynamic organization. (CBSE Term I 2021-22)
- 18. Which of the following features of a profession is fully satisfied by management?**  
(a) Service motive (b) Well defined body of knowledge  
(c) Restricted entry (d) Ethical code of conduct  
(CBSE Term I 2021-22)
- 19. 'SORT - IT' is a leading software development company. The company is satisfying the diverse needs of its employees. Its employees are given competitive salaries and perks. They have been given chance for their personal growth and development. For harmony in the organisation management has to reconcile personal goals with organisational objectives. Identify the objective of management being met by 'SORT-IT Limited.'**  
(a) Social (b) Personnel  
(c) Organisational (d) Both Social and Personnel
- 20. "What distinguishes a successful manager from a less successful one is the ability to put the principles into practice." Which aspect of the nature of management is ..... highlighted in the above statement?**  
(a) Management as a science (b) Management as an art  
(c) Management as a profession (d) Management is an intangible force.  
(CBSE SP 2021-22)
- 21. Which level of management is responsible for the welfare and survival of the organisation?**  
(a) Top level of management (b) Middle level of management  
(c) Supervisory level (d) Both (b) and (c) (CBSE SP 2021-22)
- 22. Identify the dimension of the characteristic of management - "it is multidimensional", which specifies that the task of management is to make the**

**strengths of human resources effective and their weaknesses irrelevant towards achieving the organisation's objectives.**

- (a) Management of work
- (b) Management of people
- (c) Management of operations
- (d) Management of goals

**(CBSE SP 2021-22)**

- 23. The Topper group is looking to make a foray into manufacturing of semiconductors and it has set up a business to seize the business opportunity and add to its prospects in the long run. The company has already pivoted into a number of new projects like electronics, 5G network equipment, as well as semiconductors. Which economic objective of management does the business seek to fulfil?**

- (a) Survival
- (b) Growth
- (c) Profit
- (d) Efficiency

**(CBSE SP 2021-22)**

- 24. "A manager in a conscious manner has to ensure that even where members of a department willingly cooperate, coordination gives direction to the willing spirit." The characteristic of coordination being highlighted above is .....**

- (a) Coordination is the responsibility of all managers.
- (b) Coordination is a deliberate function.
- (c) Coordination integrates group efforts.
- (d) Coordination is a continuous process

**(CBSE SP 2021-22)**

- 25. The production department at Karishmaa Ltd, a firm manufacturing readymade garments for men has an objective to increase production by 10% but the Sales department does not approve of the increase in production, till changes are brought about in the product to incorporate latest fashion. These kinds of conflicts bring to light the following importance of the force that can help to accomplish the linking of activities of various departments:**

- (a) Growth in size
- (b) Functional differentiation.
- (c) Specialization
- (d) Efficiency

**(CBSE SP 2021-22)**

- 26. Silico Ltd. has appointed the former Consulting executive of Shri Shakti Ltd. RajanBahl as its Vice President. What will be his basic task?**

- (a) To integrate diverse elements and coordinate activities of different departments.
- (b) To carry out plans formulated by top managers.
- (c) To oversee the efforts of the workforce.
- (d) Help to maintain quality of output.

**(CBSE SP 2021-22)**

- 27. Ravi joined a marketing firm as a Sales manager. On his first day in the company, during the orientation programme, the CEO of the company told Ravi that he will have to simultaneously perform the functions of management (planning, organising, staffing, directing, controlling) all the time. Which characteristic of management was the CEO referring to?**

- (a) Management is a continuous process
- (b) Management is all pervasive
- (c) Management is multidimensional
- (d) Management is goal oriented

**(CBSE SP 2021-22)**

- 28. Unlike professions such as medicine or law which require a practising doctor or lawyer to possess valid degrees, nowhere in the world is it mandatory for a**

(a) Well defined body of knowledge      (b) Restricted Entry  
(c) Professional Association            (d) Ethical code of conduct

- (a) Management helps in achieving personal objectives
- (b) Management helps in the development of society
- (c) Management creates a dynamic organisation
- (d) Management increases efficiency

(a) science (b) an art  
(c) both science and art (d) neither. **(CBSE Sample Paper 2019-20)**

(a) Ethical code of Conduct                      (b) Professional Association  
(c) Restricted Entry                                  (d) Service Motive

(a) Management      (b) Planning      (c) Organising      (d) Controlling.

- (a) Coordination ensures unity of action
- (b) Coordination is a deliberate function
- (c) Coordination is a continuous process
- (d) Coordination is an all-pervasive function

25

suppliers. She appoints a team of designers and crafts people in the company, who developed some prints for bed covers in bright colour on silk. Although the products looked very attractive and impressive, they were relatively expensive on the front of affordability for an average customer. Sana suggested that they should keep the silk bed covers for special festive occasions and offer the cotton bed covers on a regular basis to keep costs under control. [CBSE QB 2021-22]

**34.1** “She appoints a team of designers and crafts people in the company, who developed some prints for bed covers in bright colour on silk.” Which function of management is highlighted in this context?

- (a) Controlling
- (b) Staffing
- (c) Planning
- (d) Directing

**34.2** In the above case, “company’s objective is to promote the sales of Indian handloom and handicraft products.” The above line focuses on which feature of management?

- (a) Management is an intangible force
- (b) Management is a goal-oriented process
- (c) Management is pervasive in nature
- (d) Management is a continuous process

**34.3** With reference to the above case, at which level of management Sana is working?

- (a) Lower level
- (b) Top level
- (c) Middle level
- (d) Shop floor

**34.4** “Sana suggested that they should keep the silk bed covers for special festive occasions and offer the cotton bed covers on a regular basis to keep costs under control.” Which function of management is highlighted in this context?

- (a) Controlling
- (b) Staffing
- (c) Organising
- (d) Planning

**35.** Read the following text and answer the questions that follow:

A very innovative firm has decided to increase its sales. The company enjoys good reputation but they have noticed that their growth has stagnated for last couple of years due to difference in opinions among employees, their different backgrounds, different approaches to situations, and relationship with others.

The top management calls an emergency meeting. For this, they have outlined a series of activities to be performed by each person. The people are told about the activities they have to perform. Then, the work is divided among individuals. The efforts taken by the firm turns out to be very productive for the organization and it gains huge profit.

**35.1** Identify the concept of management discussed which the company tries to bring

- (a) Coordination
- (b) Controlling
- (c) Cooperation
- (d) Planning

**35.2** Identify the point of importance of the concept highlighted in the given case

- (a) Growth in size
- (b) Specialization
- (c) Functional differentiation
- (d) None of the above

**35.3** Find out the feature of concept highlighted in the given case

- (a) Continuous process
- (b) Deliberate effort
- (c) Pervasive
- (d) Responsibility of all managers

**36.** Read the following text and answer the questions that follow:

Ken and Woods Private Limited promotes the Indian culture by exporting the handicrafts items to the different countries. This way, the company helps generate employment opportunities for the people living in the rural areas.

Mr George, the General Manager has to ensure that no department runs short of employees and keep strict control on the quality of the goods being exported. He also provides direction and motivates the departmental heads so that all departmental heads maintain effective communication among themselves to avoid any kind of chaos, duplication of efforts and wastage of resources.

Mr Prakash, the Supervisor, ensures that employees are able to give quality time to their families and for this purpose, he arranges lunch and creche facilities for the employees.

**36.1** The General Manager ensures that no department runs short of employees, keeps strict control on the quality of the goods and motivates all departmental heads. These lines relate to one of the characteristics of management. Identify.

- (a) Management is goal-oriented
- (b) Management is multidimensional
- (c) Management is a group activity
- (d) Management is a dynamic function

**36.2** The General Manager has to ensure that no department runs short of employees, keeps strict control on the quality of goods and motivates the departmental heads. This way, he performs which of the following functions of the management?

- (a) Staffing and Controlling
- (b) Staffing and Directing
- (c) Staffing, Directing and Controlling
- (d) Planning, Controlling and Directing

**36.3** All departmental heads maintain effective communication among themselves to avoid any kind of chaos, duplication of efforts and wastage of resources.

Identify the characteristic of coordination highlighted above.

- (1) Coordination ensures unity of action
- (2) Coordination is an all-pervasive function
- (3) Coordination is a continuous process

Identify the correct option:

- (a) Options 1 & 2 only (b) Options 1 & 3 only
- (c) Options 2 & 3 only (d) All options

**36.9** The supervisor arranges lunch and creche facilities for the employees. Which of the following objective of the management is being achieved?

- (a) Social (b) Organizational
- (c) Personnel (d) Personal

**37.** Read the following text and answer the questions that follow:

"Shoolini Enterprises" is enjoying a good reputation in the market. Kavita Mendiratta, the General Manager, has acquired her MBA degree from Oxford University and as a result of her knowledge of management principles and excellent managerial

competence, the enterprise is success is because of the good management. The effect of management is noticeable because targets are being met in time, employees are happy and satisfied; and there is orderliness instead of chaos. She motivated her team so well that individual members were able to achieve personal goals while contributing to the overall organizational objectives. She is a visionary and understands the value of good personnel in an organization. Hence, she proposed to keep budget for opening crèche for the kids of female employees.

[Courtesy: Soniya Kapoor]

**37.1 At what level Kavita Mendiratta is working?**

- (a) Top Level (b) Middle Level
- (c) Lower Level (d) Supervisory Level

**37.2 Which feature of management is discussed in above case study?**

- (a) Management is all Pervasive
- (b) Management is Intangible
- (c) Management is a Continuous Process
- (d) Management is Multidimensional

**37.3 Which nature of management is highlighted in the case study?**

- (a) Management is an Art (b) Management is a Science
- (c) Management is a Profession (d) Both Science and Art

**37.4 Which objective of management Kavita focused at?**

- (a) Organisational Objectives (b) Personnel Objectives
- (c) Social Objectives (d) Growth Objectives

**37.5 Which element of one of the functions of management Kavita used in order to achieve organizational objectives?**

- (a) Supervision (b) Motivation
- (c) Leadership (d) Communication

**37.6 Identify the reason that has made management so important from the above case study.**

- (a) Helps in achieving personnel objectives
- (b) Creates dynamic organization
- (c) Helps in development of society
- (d) All of above

**ANSWERS**

1. (c) 2. (d) 3. (a) 4. (b) 5. (a) 6. (d) 7. (b) 8. (d) 9. (c) 10. (b)  
 11. (b) 12. (b) 13. (a) 14. (d) 15. (d) 16. (b) 17. (b) 18. (b) 19. (b) 20. (b)  
 21. (a) 22. (b) 23. (b) 24. (b) 25. (b) 26. (a) 27. (a) 28. (b) 29. (a) 30. (c)  
 31. (c) 32. (a) 33. (b) 34.1 (b) 34.2 (b) 34.3 (c) 34.4 (a)  
 35.1 (a) 35.2 (a) 35.3 (b) 36.1 (b) 36.2 (c) 36.3 (a) 36.4 (c)  
 37.1 (a) 37.2 (bcb) 37.3 (c) 37.4 (b) 37.5 (b) 37.6 (a)

## B. Fill in the Blanks with Correct Words

1. \_\_\_\_\_ is an activity which is necessary wherever there is a group of people working in an organisation.
2. Management been defined as a process of getting things done with the aim of achieving goals \_\_\_\_\_ and \_\_\_\_\_.
3. \_\_\_\_\_ and \_\_\_\_\_ are two sides of the same coin.
4. The \_\_\_\_\_ of management is a series of continuous, composite, but separate functions.
5. In order to be successful, an organisation must \_\_\_\_\_ itself and its goals according to the needs of the environment.
6. The effect of management is noticeable in an organisation employees are happy and there is \_\_\_\_\_ instead of \_\_\_\_\_.
7. Management fulfills three basic objectives: organisational, \_\_\_\_\_ and personal.
8. In order to survive, an organisation must earn enough \_\_\_\_\_ to cover \_\_\_\_\_.
9. As a part of society, every organisation whether it is business or non-business has a \_\_\_\_\_ to fulfill .
10. \_\_\_\_\_ is the \_\_\_\_\_ of management, for achieving harmony among individual efforts towards the accomplishment of group goals.
11. The task of a manager is to give a common \_\_\_\_\_ to the individual effort in achieving the overall goal of the organisation.
12. The aim of a manager is to reduce \_\_\_\_\_ and increase \_\_\_\_\_ through better planning, organising, directing, staffing and controlling.
13. \_\_\_\_\_ is the force that binds all the other functions of management.
14. Management helps its people \_\_\_\_\_ to the changes in the environment.
15. \_\_\_\_\_ is the skillful and personal application of existing knowledge to achieve desired results.
16. \_\_\_\_\_ is implicit and inherent in all functions of an organisation.
17. \_\_\_\_\_ is a systematised body of knowledge that explains certain general truths or the operation of general laws.
18. The process by which a manager \_\_\_\_\_ the activities of different departments is known as \_\_\_\_\_.
19. \_\_\_\_\_ involves \_\_\_\_\_ of the different actions or efforts of the various units of an organisation.
20. In the absence of \_\_\_\_\_, what results is chaos.
21. Management is a \_\_\_\_\_ function as it adapts itself according to the changing environment.
22. Top level of management is responsible for \_\_\_\_\_ and \_\_\_\_\_ of the organization.
23. Sharman uses methods of production which do not affect the environmental. He is trying to achieve \_\_\_\_\_ objective of management.
24. Management has to see that tasks are completed and goals are achieved \_\_\_\_\_ with the least amount of resources at a minimum cost \_\_\_\_\_.



25. An organisation has a set of basic \_\_\_\_\_ which are the basic reason for its existence.
26. Management is a complex activity that has \_\_\_\_\_ main dimensions.
27. Functions of management are \_\_\_\_\_ performed by all managers all the time.
28. An organisation is a collection of diverse \_\_\_\_\_ with different \_\_\_\_\_.
29. The effect of management is \_\_\_\_\_ in an organization where targets are met according.
30. Provision of entertainment facility is an example of \_\_\_\_\_ objective.
31. \_\_\_\_\_ presupposes the existence of certain theoretical knowledge.
32. Management as \_\_\_\_\_ creates cause and effect relationship.
33. A saying 'Managers are \_\_\_\_\_' has been replaced by 'Managers are \_\_\_\_\_'.
34. Planning & organizing and Staffing & Directing are the respective job of \_\_\_\_\_ level and \_\_\_\_\_ level of management.
35. Supervisory level is also known as \_\_\_\_\_ managers.
36. The chain of command consisting of a series of managerial position is called the \_\_\_\_\_ of management.
37. Coordination is \_\_\_\_\_ and \_\_\_\_\_ in all functions of an organisation.

#### ANSWERS

1. Management 2. Effectively / efficiently 3. Effectiveness/efficiency 4. Process  
 5. Change 6. Orderliness / chaos 7. Social 8. Revenues/revenues) 9. Social obligation  
 10. Coordination/essence 11. Direction 12. Costs/productivity 13. Coordination 14. Adapt  
 15. Art 16. Coordination 17. Science 18. Synchronises/coordination 19. Coordination/  
 synchronisation 20. Coordination 21. Dynamic 22. Survival; welfare 23. Social  
 24. Effectively; efficiently 25. Goals 26. Three 27. Simultaneously 28. Individuals; need  
 29. Noticeable 30. Personal 31. Art 32. Science 33. Born; made 34. Top; Middle 35. First  
 line 36. Hierarchy 37. Implicit; inherent

#### C. True/False

State whether the following are True or False:

1. Management has the characteristics of a full-fledged profession.
2. Management is considered a multi-faceted concept.
3. Being efficient or doing work efficiently basically means finishing the given task.
4. Effectiveness refers to the relationship between inputs and outputs.
5. Effectiveness is concerned with the means of getting things done, while efficiency is a goal of efficiency is to minimize resource costs.
6. Managers who are effective at meeting organisational goals always act efficiently.
7. To be effective, an organisation must have clearly defined sets of goals and objectives.
8. Organisations that are more efficient are effective.
9. Management affects employee morale but not a company's financial performance.
10. In order to be considered a manager, an individual must coordinate the work of others.

11. Supervisors and foremen may both be considered first-line managers.
12. First-line supervisors are responsible for directing the day-to-day activities of operative employees.
13. Middle level managers set goals and objectives and make decisions about the direction of the organisation that affect everyone in the organisation.
14. Functions of management are simultaneously performed by all managers all the time.
15. Middle level management is responsible for setting and achieving objectives for the organisation.
16. Provision of crèche for the children of employees refers to the social objective of a business.
17. Management as an art and a science are therefore not mutually exclusive, but complement each other.
18. Anyone can be called a manager irrespective of the educational qualifications possessed.
19. Nowhere in the world is it mandatory for a manager to possess any such specific degree.
20. There is no compulsion for managers to be the members of any management association nor does it have any statutory backing.
21. Creation of job positions from the top to bottom is known as hierarchy of the management.
22. Efficiency means completing the right task correctly to achieve the predetermined goals within given time frame.
23. Effectiveness refers to completion of the right task correctly using minimum cost.
24. Effectiveness and efficiency are the two sides of the same coin.
25. Social objectives are set for the welfare of employees.
26. Profession refers to the skills to be put into action for the achievement of a given task.
27. Management is not an exact science because it fulfils principles of science fully in some situations and partly in others.
28. Old saying 'Managers are born' has been replaced by 'Managers are made'.
29. Science is a well-defined body of knowledge which is learned intellectually with the motive to serve others.
30. First line managers are also known as top level managers.
31. Coordination is called essence of management.
32. Integration, balancing and timing are the three elements of coordination.
33. Coordination is the root of cooperation.
34. Coordination without co-operation has no roots and cooperation without coordination bears no fruits.
35. Directing takes place at every level of management.

36. A professional manager can possess professional degree or vast experience in a specialised field of business operations.
37. Every manager must be the member of professional body/association.
38. Coordination is sometimes considered a separate function of management.
39. Cooperation is the root of coordination.
40. Management is not a full-fledged profession.

#### ANSWERS

- |           |           |          |           |           |           |          |
|-----------|-----------|----------|-----------|-----------|-----------|----------|
| 1. False  | 2. True   | 3. False | 4. False  | 5. True   | 6. False  | 7. False |
| 8. False  | 9. False  | 10. True | 11. True  | 12. True  | 13. False | 14. True |
| 15. False | 16. False | 17. True | 18. True  | 19. True  | 20. True  | 21. True |
| 22. False | 23. False | 24. True | 25. False | 26. False | 27. True  | 28. True |
| 29. False | 30. False | 31. True | 32. True  | 33. False | 34. True  | 35. True |
| 36. True  | 37. False | 38. True | 39. True  | 40. True  |           |          |

#### D. Correct the Incorrect Statement

1. Activities involved in managing the enterprises are different to different to all organisations.
2. Effectiveness establishes input output relationship whereas efficiency relates with the end results.
3. Management is multidimensional and it deals with management of work, goals and people.
4. Provision of crèche facility to female employees is a social objective
5. Management provides good quality products and services and creates employment opportunities for the betterment of the people. In this way it helps in the development of personnel.

#### ANSWERS

1. Activities involved in managing the enterprises are common to all organisations.
2. Effectiveness relates with the end results whereas efficiency establishes input output relationship.
3. Management is multidimensional and it deals with management of work, process and people.
4. Provision of crèche facility to female employees is a personnel objective.
5. Management provides good quality products and services and creates employment opportunities for the betterment of the people. In this way it helps in the **development of society.**

#### E. Assertion-Reason Type Questions

**Directions :** There are two statements marked as Statement I and Statement II. Study both and select the correct option.

- (A) Both A and R are true and R is the correct explanation of A
- (B) Both A and R are true but R is not the correct explanation of A
- (c) A is true but R is false
- (d) A is false but R is true

1. **Assertion (A):** Management does not meet the exact criteria of a profession. However, it does have some of the features of profession.  
**Reason (R):** The entry in the management profession is restricted through acquiring a degree of MBA from any institute but there is no professional association to regulate the managers.
2. **Assertion (A):** Management as an art and science are not mutually exclusive, but complement each other.  
**Reason (R):** Managers work better if their practices are based on principles of management.
3. **Assertion (A):** The job of the lower level is complex and stressful, demanding long hours and commitment to the organisation.  
**Reason (R):** Lower-level managers interact with the actual work force, pass on the instructions, supervise their work, maintains quality of products, maintains safety standards and so on.
4. **Assertion (A):** Through management, the personnel objectives can be achieved.  
**Reason (R):** Management helps provide good quality products, create employment opportunities and adapt new technologies.
5. **Assertion (A):** In any organisation coordination is required so that production and sales department can work hand in hand.  
**Reason (R):** Coordination integrates group efforts.

#### ANSWERS

1. **(c):** Anyone can be called as manager irrespective of the educational qualifications possessed. There are several associations for practicing managers like the All India Management Association. However, these associations cannot enforce code of conduct.
2. **(a):** Mutually exclusive is a term which describes two or more events that cannot happen simultaneously.
3. **(d):** The job of the top level is complex and stressful, demanding long hours and commitment to the organisation.
4. **(b):** The correct explanation to A is that a manager motivates and leads his team in such a way that individual members are able to achieve personal goals while contributing to the overall organisational objective.
5. **(a):** Both the statements i.e., Assertion and Reason are correct but R is not the correct explanation of A. The reason behind this assertion is that Coordination ensures unity of action. It acts as a binding force between departments.

#### F. Question Based on Statements

**Instruction :** In the following questions, two statements are given with four options, choose the correct option:

- (A) Statement I is correct and II is wrong
- (B) Statement II is correct and I is wrong
- (C) Both the statements are correct
- (D) Both the statements are incorrect

1. **Statement I:** Lower level management is responsible for setting and achieving objectives for the organisation.  
**Statement II:** It is through the process of coordination that a manager ensures unity of action in the realisation of common objectives.
2. **Statement I:** Management helps in achieving personal objectives.  
**Statement II:** Opening a hospital for the well-being of family members of employees is a social personnel objective.
3. **Statement I:** Profession is the skillful and personal application of existing knowledge to achieve desired results.  
**Statement II:** Principles of management are based on practice and creativity.
4. **Statement I:** Middle level managers are responsible for all the activities of first line managers.  
**Statement II:** It is the lower level management which ensures welfare and survival of an organisation.
5. **Statement I:** Coordination is implicit and inherent in all functions of an organisation.  
**Statement II:** Coordination is the essence of management for achieving harmony among individual efforts.

#### ANSWERS

- |        |        |        |        |        |
|--------|--------|--------|--------|--------|
| 1. (b) | 2. (c) | 3. (d) | 4. (a) | 5. (c) |
|--------|--------|--------|--------|--------|

## Remembering and Understanding Questions

### A. Very Short Answer Type Questions

1. Name that intangible force which creates productive relationships among resources of an organisation.

**Ans.** Management

2. Planning, Organising, Staffing, Directing and Controlling is the sequence of functions in a process. Name it.

**Ans.** Management.

3. Name the process of working with and through others to effectively achieve organisational objectives by efficiently using its limited resources in the changing environment.

**Ans.** Management.

4. Who is a manager?

**Ans.** The manager is a person responsible for working with and through others to achieve objectives by influencing the behaviour of people and system in a changing environment.

5. What do you mean by effectiveness?

**Ans.** Doing the right task and completing it within the given time period.

**6. What do mean by efficiency?**

**Ans.** Doing the task correctly by making optimum use of resources in a cost effective manner.

**7. Which function of management can be said to be as central as the thread in a garland?**

**Ans.** Coordination.

**8. How can the management ensure the survival of the organisation?**

**Ans.** By earning sufficient profits to cover the costs.

**9. What should a management do in order to ensure harmony in the organisation?**

**Ans.** Management should reconcile the personal objectives of the workers with its organisational objectives.

**10. Production manager tries to produce goods at minimum costs. Name the concept which is being focused by management.**

**Ans.** Efficiency.

**11. "Management is a group activity." Why?**

**Ans.** Management is called a group activity because in order to achieve the goals of the organisation, all employees in an organisation need to work together in a group with team spirit.

**12. "Management creates a dynamic organisation." How?**

**Ans.** To survive in the environment, the management has to adapt with the changing needs of the environment.

**13. Give one designation each of top and middle-level management?**

**Ans.** Top Level-CEO, Middle Level-Divisional Manager

**14. Why is it said that Management is all pervasive?**

**Ans.** Management is pervasive as it is applied at every level and in every type of organisation.

**15. "Management helps in development of society". How?**

**Ans.** Management helps in developing the society by converting the physical resources into finished product, generating employment opportunities to the people and making services available to the society at reasonable prices.

**16. Why is it said, "Management is a goal oriented process"?**

**Ans.** Management is said to be a goal oriented process as goals are the basic reason for existence and survival.

**17. At which level of management does directing takes place?**

**Ans.** Directing takes place at every level of management.

**18. Hero Garments Ltd's target is to produce 10,000 shirts per month at a cost of ` 150 per shirt. The Production Manager could achieve this target at the cost of ` 160 per shirt. Do you think the Production Manager is 'effective'? Give reason in support of your answer.**

**Ans.** The manager has achieved the target in time. So he is effective but since he achieved the target at a higher cost than predetermined, he is inefficient.

**19. Your grandfather has retired as Director of a manufacturing company. At what level of management was he working? Different types of functions are performed at this level. State any one function.**

**Ans.** He was working at the top-level of management and this level is mainly concerned with the overall formulation of policies.

**20. "The principles of management can be applied to all types of activities." Which characteristic of management is highlighted by this statement?**

**Ans.** Management is pervasive.

**21. Name the process of designing and maintaining an environment in which individual working together in groups, efficiently accomplish selected aims.**

**Ans.** Management.

**22. "In an organisation, employees are happy and satisfied, there is no chaos and the effects of management are noticeable." Which characteristic of management is highlighted by this statement?**

**Ans.** Management is intangible.

**23. "Management consists of an ongoing series of functions." Which characteristic of management is highlighted by this statement?**

**Ans.** Management is a continuous process.

**24. "Management activities are performed in all types of organisations in all departments and at all levels." Which characteristic of management is highlighted here?**

**Ans.** Management is pervasive.

**25. What should an organisation do to achieve the basic objective of 'survival'?**

**Ans.** An organisation must earn sufficient profits to cover costs and expand the business.

**26. Identify the level of management at which the managers are responsible for implementing and controlling the plans and strategies of the organisation.**

**Ans.** Middle-Level Management.

**27. In order to be successful, an organisation must change its goals according to the needs of the environment. Which characteristic of management is highlighted in the statement?**

**Ans.** Management is a dynamic function.

**28. Why is management called inexact science?**

**Ans.** Management relates to human behaviour, whose cause and effect is not certain, that is why it is called an inexact science.

**29. Identify the nature of management when it is practiced as a personal application of existing knowledge to achieve desired results.**

**Ans.** Management is an art.

**30. Identify the nature of management when it is said to be a systematised body of knowledge that explains certain general truths.**

**Ans.** Management as a science.



- 31. At which level of management the managers are responsible for the welfare and survival of the organisation?**

**Ans.** Top-Level Management.

## **B. Short Answer Type Questions**

- 1. Explain the meaning of management. What do you mean by managers?**

**Ans.** Management is the process of working with and through others to achieve organisational objectives effectively by using limited resources efficiently in the changing environment. Persons engaged in performing the functions of management are known as managers.

- 2. What is meant by 'Professional Code of Conduct'?**

**Ans.** Professional code of conduct refers to rules and regulations prepared by the associations or governing bodies relating to a profession like Indian Medical Association, Bar Council of India, All India Management Association, etc.

- 3. Why management is called an inexact science?**

**Ans.** The principles of science are based on natural sciences and always produce same results everywhere whereas the principles related to behavioural science/social science deal with the human beings whose nature is always unpredictable. Thus, management is called an inexact science.

- 4. 'Management is a process'. Explain?**

**Ans.** Management includes various steps such as planning, organising, staffing, directing and controlling. These are also called as the functions of management. These functions are undertaken by the management one after the other as well as simultaneously. This is the reason management is called a process.

## **Analysis Based Questions**

### **A. Very Short Answer Type Questions**

- 1. "Successful organisations do not achieve their goals by chance but by following a process." Name the process.**

**Ans.** Management.

- 2. How does management ensure the optimum utilisation of resources?**

**Ans.** Management ensures optimum utilisation of resources by doing the work effectively as well as efficiently.

- 3. "The principles of management can be applied to all types of activities". Which characteristic of management is highlighted by this statement?**

**Ans.** Management is pervasive.

- 4. "McDonald's had to make changes in its menu when it started its business in India." Which characteristic of management is highlighted in this statement?**

**Ans.** Management is dynamic.

**5. Name the intangible force which creates productive relationships among resources of an organisation.**

**Ans.** Management.

**6. To meet the objectives of the firm, the management of JMD Infrastructures Ltd. offered employment to a physically challenged person. Identify the managerial objective it is trying to achieve.**

**Ans.** Social Objective.

**7. "With the help of self-motivation and leadership techniques, management helps individuals develop co-operation, commitment, team spirit, etc." The above statement refers to which type of objective of management?**

**Ans.** Organisational Objective.

**8. Personal Growth and Development of Employees refers to which type of objective?**

**Ans.** Personnel Objective.

**9. Name the voluntary action on the part of individuals working together in an enterprise for achieving common objective.**

**Ans.** Cooperation.

**10. "Management consists of an ongoing series of functions." Which characteristic of management is highlighted by this statement?**

**Ans.** Management is a continuous process.

**11. "A religious place is also needed to be managed like business and non-business organisations." Which characteristic of management is referred here.**

**Ans.** Management is Pervasive.

**12. An organisation is a collection of individuals working at different levels in the organisation." Which characteristic of management is referred here?**

**Ans.** Management is a Group Activity.

**13. An organisation needs to enhance its profit year after year. What purpose of organisational objective is achieved here?**

**Ans.** Growth.

**14. "An organisation needs to earn sufficient revenue to cover the cost." Which feature of the organisational objective is being referred here.**

**Ans.** Survival.

**15. "Use of plastic polythene is abandoned by a company to package its product." Which objective is being achieved in this statement?**

**Ans.** Social Objective.

**16. Name the concept which binds the employees from top level to the bottom level of the organisation.**

**Ans.** Coordination.

**17. "The production department is not producing the goods as referred by the marketing department of an organisation." What is lacking in the organisation?**

**Ans.** Coordination.

- 18. Efficiency and effectiveness are the two sides of the same coin. Explain.**  
**Ans.** Without efficiency, optimum utilisation of resources cannot be achieved and without effectiveness, targets cannot be completed in time. So, both things are necessary to be implemented during the production process.
- 19. Management is a multifaceted concept. Explain.**  
**Ans.** Management is viewed as art, science, profession, discipline, etc. That is why management is considered as a multifaceted concept.
- 20. To call any field as an art, what essentials are required? Name them.**  
**Ans.** Practical knowledge, Personalised Knowledge, Continuous Practise and Creativity.
- 21. Management is a full-fledged profession. Justify.**  
**Ans.** Management fulfils the conditions of being a profession such as being a body of knowledge, formal methods of training, fee as remuneration and existence of an ethical code of conduct. So, management is called full-fledged profession.
- 22. What do you mean by hierarchy of management?**  
**Ans.** A series of managerial positions from top to bottom known as the levels of management is also called hierarchy of management.
- 23. "The truth, Managers are made has been replaced with managers are born." What nature of management is highlighted here?**  
**Ans.** Management is a Profession.
- 24. Coordination without cooperation has no roots and cooperation without coordination bears no fruit. Explain**  
**Ans.** In the absence of cooperation among the members, even the presence of coordination achieves no desired results. Coordination without cooperation may lead to dissatisfaction among employees.
- 25. What do you mean by the cause and effect relationship?**  
**Ans.** Cause means application of principle and effect means the results of principle applied.
- 26. Is coordination a separate function of management?**  
**Ans.** No, coordination is not a separate function of management, rather no function of management can be performed without coordination.
- 27. What distinguishes a successful manager from a less successful manager is the ability to put the principles and methods of management into practice. Which feature of management is being highlighted here?**  
**Ans.** Management is dynamic.
- 28. A manager applies scientific methods and body of knowledge to a given situation, an issue or a problem in his own unique manner. Which aspect of nature of management is being discussed here?**  
**Ans.** Management as an Art
- 29. In an organisation, targets are met according to plans, employees are happy and satisfied, and there is orderliness instead of chaos. Which characteristic of management is being highlighted here?**

**Ans.** Management is an Intangible Force.

**30. 'Management is derived from getting the status of a pure science just because of weakness of one element'. State the element related to the above situation.**

**Ans.** Science deals with the nature and the application of scientific principles always produces same results whereas management deals with human beings whose nature is always unpredictable.

**31. Name the voluntary action on the part of individuals working together in an enterprise for achieving common objective.**

**Ans.** Cooperation.

**32. "Successful organizations do not achieve their goals by chance but by following a deliberate process". Identify the process highlighted here. (Sample Paper 2018-19)**

**Ans.** Management.

**33. Name the process which provides the requisite amount, quality, timing and sequence of efforts and ensures that planned objectives are achieved with a minimum of conflict. (CBSE Sample Paper 2017-18)**

**Ans.** Coordination.

**34. 'Is management concerned only with doing the right task, completing activities and achieving goals, without taking the cost-benefit into consideration?' Give reasons in support of your answer. (Outside Delhi 2016)**

**Ans.** No, the management is not only concerned with doing the right task, completing activities and achieving goals (effectiveness), but also has to do the right task correctly and with minimum cost (efficiency).

## **B. Short Answer Type Questions**

**1. State the manager is effective/ineffective or efficient/inefficient.**

**Mr. Manager was asked to produce 10 units at a cost ₹ 50 per unit within a week. His results were as follows:**

- (a) He produced 8 units at at a cost ₹ 50 per unit within a week.**
- (b) He produced 10 units at at a cost ₹ 50 per unit within ten days.**
- (c) He produced 10 units at at a cost ₹ 60 per unit within one week.**
- (d) He produced 10 units at at a cost ₹ 50 per unit within one week.**

**Ans.** (a) ineffective but efficient; (b) efficient but ineffective; (c) effective but inefficient; (d) effective and efficient.

**2. How is management all pervasive?**

**Ans.** Activities involved in management are applicable to every type of organisation whether social or economic or political. For example, a cricket team needs to be managed as much as a club or a hospital. The activities of managers in India are similar to their activities in U.K. or U.S.A. Thus, it can be said that management is all pervasive.

**3. 'Management provides judgement and vision.' Explain.**

**Ans.** Management keeps adjusting to the complex and ever-changing external environment. It helps in decision making. As it visualizes the future and the right

course of action for same, sound decisions become possible. Thus, its foresight provides judgment and vision.

**4. 'Coordination is a continuous activity'. Explain?**

**Ans.** Coordination is a continuous activity carried out by all managers at all times. It starts at the planning stage and continues with the other functions of management. It is a never-ending process. It integrates all the activities and ensures the orderly arrangement of individual and group efforts to ensure unity of action in the realisation of common objectives.

**5. The production department of Gamma Sugar Mills Limited produces more sugar than required and its sales department is unable to sell the total production. Identify and explain which quality of management do you think the company is lacking.**

**Ans. Management is a Group Activity:** The members of the organisation work towards fulfilling common organisational goal. This requires teamwork and coordination of individual effort in a common direction.

**6. Without effective management the resources will remain as resources without converting them into productive utilities. Do you agree? Give reasons.**

**Ans.** Refer to the Importance of Management.

**7. 'Authority and responsibility of managers at an operative level is limited, but the importance of functions of personnel employed at this level cannot be overlooked.' Comment.**

**Ans.** Explain the functions of supervisory or operational level.

**8. 'Anyone can be called a manager irrespective of the educational qualifications.' Why?**

**Ans.** Anyone can be called a manager irrespective of the educational qualifications because:

- (a) There is no restriction to become a professional manager
- (b) Shareholders are appointed as directors to manage the affairs of the companies though they may not be qualified professionals.
- (c) Owner may be managers in a family business.
- (d) Partners, karta, coparceners, members of cooperative societies and organisers of charitable institutions may be effective managers though they may not have any formal degree in management.

**9. State two features of profession, one of which is satisfied by the management and another is not satisfied by the management.**

**Ans. Feature of profession satisfied by the management:** Well defined body of knowledge & service motive.

**Feature of profession not satisfied by the management:** Ethical code of conduct is not compulsory and entry is not restricted in the field of management.

**10. Explain the features of management that do not establish it as a profession.**

**(Outside Delhi 2016)**

**Ans.** (a) Restricted entry: (Explain briefly)

- (b) Professional association: (Explain briefly)
- (c) Ethical code of conduct: (Explain briefly)

**11. 'Art is the skilful and personal application of existing knowledge to achieve desired results and some kind of ingenuity while creativity is required to practise its basic principles'. Pick up points from the statement and explain the same to prove that management is an art. (Compartment Outside Delhi 2016)**

**Ans.** Features of management as an art

- (a) Existence of theoretical knowledge: (Explain briefly)
- (b) Personalised application: (Explain briefly)
- (c) Based on practice and creativity: (Explain briefly)

**12. 'Science is a systematised body of knowledge that explains certain general truths or the operations of general laws'. Based on the statement, identify and state the characteristics of management that establish it as science. (Compartment Outside Delhi 2016)**

**Ans.** The following features prove management as a science:

- (a) It is a systematic body of knowledge: (Explain briefly)
- (b) Principles are based on experiments: (Explain briefly)
- (c) It has a universal validity: (Explain briefly)

**13. Define management. Explain the features that establish it as a social science. (Outside Delhi 2016)**

**Ans.** The features that establish management as a social science are:

- (a) Principles based on observation and experimentation:** Similar to science, management principles are derived through observations and repeated experimentations. However, since management deals with human beings, the outcome of these experiments is not capable of being accurately predicted.
- (b) Universal validity:** Principles of management like those of pure science provide managers with certain standardised techniques that can be used in different situations. Since they have to be modified according to a given situation, their application and use are not universal. So, this feature of science is not fully present in management.

**14. Coordination is the essence of management. Explain. (Delhi Compt. 2014)**

**Ans.** The purpose of coordination is to synchronise the efforts of all individuals which is possible only when clarity of superior-subordinate relationship is established, right work is assigned to the right candidates with parity of authority and responsibility. These are the reasons for which coordination is called the essence of management.

### C. Long Answer Type Questions

**1. 'Science is a systematised body of knowledge that explains certain general truths or the operation of general laws'. In the light of this statement, describe whether management is a science.**

**Ans.** **Science – A systematic body of knowledge:** Every branch of science is based on systematic body of knowledge, which is again based on certain principles, theories

and facts. These principles are widely acceptable and they produce the same cause-and-effect relationship.

**Example:** When any object is thrown into the air, it is bound to come down to Earth due to the force of gravity. Here, throwing the object in the air is cause and coming down of such object is effect. So, whenever the principles of science are applied, they produce same results.

**Management – A systematic body of knowledge:** The field of management has its own theories and principles, which are man-made and have been evolved after research, experiments and observations by management experts. These principles are applied to individuals working in business enterprises and produce diverse results.

**Example:** When an employee receives orders from more than one boss, such a person is bound to get confused. So, the principle of unity of command suggests that an employee should receive orders from a single superior.

So, management is based on certain principles but it is not pure science.

2. **“Management is regarded as an Art by some, as Science or as an inaccurate science by others. The truth seems to be somewhere in between.” In the light of this statement, explain the true nature of management.** (Delhi 2011)

**Ans.** Refer: Management is an art as well as science.

3. **“Success of every organisation depends upon its management.” Explain any five reasons in justification of the above statement.** (Delhi Compartment 2011)

**Ans.** Refer: Importance of Management

4. **“Management is a profession like medical or legal profession.” Do you agree with this statement? Give any five reasons in support of your answer.** (Outside Delhi 2011)

**Ans.** Yes, I agree with the statement that management is a profession like medical and legal profession due to following reasons: (Refer: Management is a profession with conclusion)

5. **Identify to which managerial function, i.e., planning, organising, staffing, directing and controlling the following activities belong giving reasons.**

- (a) Ordering a manager to implement an advertising campaign assigned by the marketing manager of the company.
- (b) Deciding the number and relationships of superiors and subordinates required in the company.
- (c) Recruitment and selection of the personnel.
- (d) Motivating, communicating and supervising the employees.
- (e) Finding out the deficiencies in implementation of plans with the results achieved.
- (f) Deciding the objectives, policies and procedures to be followed in the company.

**Ans.** (a) Directing, (b) Organising (c) Staffing (d) Directing (e) Controlling (f) Planning.]

## Application, Creativity And Evaluation Based Questions

### A. Very Short Answer Type Questions

1. Various departments of Swift Automobiles Limited have set up their own objectives without considering any interest to the organisational objectives.  
What would be the impact of diverse objectives on the organisation?

**Ans.** The impact of diverse objectives would lead to chaos in the organisation and coordination would be ineffective.

2. In order to achieve target production of 12,000 units per month, the production manager of a company has to operate on double shifts due to power failure. This leads to achieve the target at a higher production cost.  
In your opinion, what is lacking in management?

**Ans.** Efficiency.

3. Rahul opines that management is needed in all types of organisations whether working for earning profit or for any social purpose, whereas Mehul argues that management is needed only in the former case.  
Who is correct? State with reason.

**Ans.** Rahul is correct as management is universal and pervasive.

4. The production department of Amega Limited was required to manufacture LED TVs at a cost of ₹ 5,000 per unit and sales department was required to sell the lot within a month from the date of production. The production department was able to produce the goods at the cost as expected but sales department could not achieve its target. Judge the efficiency and effectiveness of both departments.

**Ans.** The **production department** is efficient as it was able to manufacture the LED TVs at the standard cost, whereas the **sales department** was ineffective in terms of sales.

5. The purchase, production and sales managers at Sharda Ltd, a firm manufacturing readymade garments are generally at a conflict, as they have their own objectives. Usually each thinks that only they are qualified to evaluate, judge and decide on any matter, according to their professional criteria. Name the concept, which will be required by the CEO Mr. Raman, to reconcile the differences in approach, interest or opinion in the organisation. (CBSE Sample Paper 2019-20)

**Ans.** Coordination.

### B. Short Answer Type Questions

1. Mr Rounak, a director of Sunlight Bulbs Limited, gets involved in activities like procurement of raw material, production and dispatch of goods, employees discipline, etc.  
(a) Name the level of management Mr Rounak belongs to.  
(b) Do you think he should be involved in such activities? Give reason.  
(c) Give two important functions that Mr Rounak is supposed to perform.

**Ans.** (a) Mr Rounak belongs to the top level of management.  
(b) Mr Rounak should not get involved in such activities because his time is precious for higher level decision-making for expansion and diversification programmes.



- (c) Mr Rounak is supposed to perform the following functions:  
Determining goals and objectives of the organisation as a whole.  
Policy formulation.

**2. The marketing manager of Infomatics Limited always keeps a check on the changes happening in the surroundings and instructs the research and development department to improve the products accordingly. This habit of the marketing manager helps the company to keep an edge over the competitors.**

**(a) Identify and explain the concept of management associated in the above paragraph.**

**(b) Which feature of management is depicted in the above case?**

- Ans.** (a) The concept associated is coordination. (Explain briefly)  
(b) Management is Dynamic. (Explain briefly)

**3. A company manufacturing chemicals, emits air pollutants, which affect the health of the employees adversely. For this purpose, the company decided to provide medical facilities for regular health check-ups which benefitted the employees a lot. It also decided to shift the factory from the residential area to an industrial area.**

**By quoting the lines, identify and explain the objectives being attained by the company.**

- Ans. Personal objectives.** (Explain briefly)

*Quoted line:* The company decided to provide medical facilities for regular health check-ups for its employees.

**Social objectives.** (Explain briefly)

*Quoted lines:* The company shifted its factory from residential area to industrial area.

**4. Top management plans for the entire organization. According to these plans, the organizational structure is developed and staffed. In order to ensure that these plans are executed according to plans, directing is required. Any discrepancies between actual and realized activities are then taken care of at the stage of controlling.**

**Name and explain the process highlighted above which started at the planning stage itself and is implicit and inherent in all the functions of management in an organization.** (CBSE SP 2022-23)

- Ans. Coordination:** (Explain briefly)

**5. Mita has a successful ice cream business at Bikaner, namely 'Smartflavours'. Her ice creams are utterly delicious. She makes ice creams from fresh milk and the same are available in a wide range of flavours and packs. She sets viable business objectives and works with the same in mind in order to ensure that the customers will come back for purchasing. Having the first mover advantage, her business was doing well. To earn higher profits, she started cutting costs. This would sometimes lead to delay in delivery and the ice cream was not reaching the market in time. Over a period of time, the demand for her ice cream declined and because of it the competitors entered the market. She lost some of her market share to competitors.**

**At the beginning of summer season, she got back to back orders for supply of 4,000 ice cream packs of different flavours for special occasions. To ensure that the task was completed and orders delivered in time she hired additional**

workers. She was, thus able to produce and deliver the ice cream packs but at a high production cost. While completing activities and finishing the given task for achieving goals, Mita realized that she was ignoring one of the important aspects of management.

**Identify the aspects of management that has been ignored by Mita. Also explain the same with the help of an example.** (CBSE 2019 Delhi Region)

- Ans.** (a) Aspect of Management ignored : Efficiency  
Reason : She hired additional workers to complete and deliver the order in time.  
(b) Efficiency : (Explain briefly)

**6.** Hema is one of the most successful managers of her company, 'Kobe Limited'. She uses her creativity and initiative in handling challenging situations at work. The knowledge gained by her during her student days at a renowned management institute as well as through her observation and experience over the years is applied by Hema in a skilful manner in the context of the realities of a given situation. She often reads books and other literature in various fields of management to keep her knowledge updated.

- (a) An aspect of the nature of management is being highlighted in the above description. Identify the aspect.  
(b) Explain any three features of the aspect identified in part (i).

(Compartment Delhi 2017)

- Ans.** (a) Management is an art  
**Reason:** Hema uses her creativity and initiative in handling challenging situations.

(b) **Features of management as an art:** Refer: Management as an art

**7.** Ashutosh Goenka was working in 'Axe Ltd', a company manufacturing air purifiers. He found that the profits had started declining from the last six months. Profit has an implication for the survival of the firm, so he analysed the business environment to find out the reasons for this decline.

- (a) Identify the level of management at which Ashutosh Goenka was working.  
(b) State three other functions being performed by Ashutosh Goenka. (Delhi 2017)

- Ans.** (a) Top level  
(b) **Functions of top level management:** (Refer: Functions of Management)

**8.** Rishitosh Mukerjee has recently joined AMV Limited, a company manufacturing refrigerators. He found that his department was under-staffed and other departments were not cooperating with his department for smooth functioning of the organisation. Therefore, he ensured that his department has the required number of employees and its cooperation with other departments is improved.

- (a) Identify the level at which Rishitosh Mukerjee was working.  
(b) Also, state three more functions required to be performed by Rishitosh Mukerjee at this level. (Outside Delhi 2017)

- Ans.** (a) Middle level  
(b) **Functions of middle level management:** (Refer: Functions of Management)

**9.** Narayana Computers Limited is a leading company in computer technology and IT services. The chief executive officer of the company attributes the success of the company to its managerial team spirit, which has helped to handle rapid

technological advancements and to transform threats into opportunities. Like any other business enterprise, profits are important for the survival and growth of Narayana Computers Limited. The management of the company believes that a satisfied employee creates a satisfied customer, who in turn, creates profits that lead to satisfied shareholders.

The company has a strong sense of social responsibility. It has set up many educational institutions in the field of management, engineering and computer education wherein half of the students are girls. On the basis of the given information about Narayana Computers Limited, answer the following questions:

- (a) Identify and explain the objectives of the company discussed in the above paragraphs. Also, quote the lines for the identified objectives.
- (b) Explain the objectives not covered in the above case.

(Compartment Delhi/Outside Delhi 2016, Modified)

**Ans.** (a) Objectives of the company:

- (i) **Organisational objectives:** (Explain briefly)

*Quoted lines:* Like any other business enterprise ...Narayana Computers Ltd

- (ii) **Social objectives:** (Explain briefly)

*Quoted lines:* It has set up ... half of the students are girls

- (b) **Personal objectives:** (Explain briefly)

- 10.** XYZ Power Limited set up a factory for manufacturing solar lanterns in a remote village as there was no reliable supply of electricity in rural areas. The revenue earned by the company was sufficient to cover the costs and the risks. The demand of lanterns was increasing day by day, so the company decided to increase production to generate higher sales. For this they decided to employ people from the nearby villages as very few job opportunities were available in that area. The company also decided to open schools and creches for the children of its employees.

- (a) Identify and explain the objectives of management discussed above.

- (b) Mention any two points of importance of management. (Delhi 2014, Modified)

**Ans.** (a) **Organisational objectives:** (Explain briefly)

*Reason:* The company decided to increase production to generate higher sales.

**Social objectives:** (Explain briefly)

*Reason:* The company decided to employ people from nearby villages.

- (i) **Importance of management:**

- (ii) **It increases efficiency:** (Explain briefly)

- (b) **It helps in achieving goals:** (Explain briefly)

- 11.** Mega Limited was manufacturing water heaters. In the first year of its operations, the revenue earned by the company was just sufficient to meet its costs. To increase the revenue, the company analysed the reasons of less revenues. After analysis the company decided:

- (a) to reduce the labour cost by shifting the manufacturing unit to a backward area where labour was available at a very low rate.

- (b) to start manufacturing solar water heaters and reduce the production of electric water heaters slowly. This will not only help in covering the risks, but also help in meeting other objectives too.

- (i) Identify and explain the objectives of management discussed above.

- (ii) State any two functions of management which helped the management take decision to shift the manufacturing unit. (Outside Delhi 2014, Modified)

- Ans. (a) Organisational objectives:** (Explain briefly)  
*Reason:* Company decided to increase revenue.  
**Social objectives:** (Explain briefly)  
*Reason:* Shifting the manufacturing unit to backward area.
- (b) Functions of management:**  
**(i) Planning:** (Explain briefly)  
**(ii) Organising:** (Explain briefly)

### C. Long Answer Type Questions

1. Pratap Singh is the Chief Executive Officer of Nissar Enterprises. It is an automobile parts manufacturing company. The enterprise has a functional structure, in which jobs of similar nature have been grouped together as Production, Finance, Marketing and Human Resource. Nissar Enterprises has its manufacturing unit at Manesar. The factory has been plagued with many problems for a long time which was in the knowledge of the Production Manager, Varun Sharma. The workers had internal differences. Time and again, there were misunderstandings between the management and the workers. Keeping the problems in mind, Varun Sharma appointed, Siyaram Singh who had 14 years of experience of working with the actual work force and passing on instructions of the middle management to the workers, Siyaram Singh met Varun Sharma to understand what the management wanted ?

Thereafter he met the workers and conveyed the ideas of management to them. He also promised the workers to convey their problems to the management. In this way, he cleared the misunderstanding between the management and the workers. He also sorted out internal differences and was able to unite the workers within a month of his joining. His work was acknowledged by management and he was given a certificate of good performance along with 10% increase in salary.

(CBSE 2019 Delhi Region)

- (a)** Siyaram Singh performed some of the functions which are required to be performed at the position he is working at. State any five other functions Siyaram Singh is expected to perform.
- (b)** Name the incentives provided to Siyaram Singh.

- Ans. (a)** Siyaram is working at supervisory level  
Functions of supervisory/Lower Level of Management (Any Five)  
(i) Listens the problems of workers & convey to the top management.  
(ii) Helps in resolving issues between management & workers.  
(iii) Passes on the instructions of middle level management to the workers.  
(iv) Clear misunderstanding between workers & management & create bring harmony in the organisation.  
(v) Helping managers in selection, training and promotion of workers.
- (b)** Employee Recognition Programme & Bonus.
2. Company X, is facing a lot of problems these days. It manufactures consumer durables like washing machines, microwave ovens, refrigerators and air conditioners. The company's margins are under pressure, the profits and market shares are declining. The production department blames marketing department for not meeting sales targets and marketing department blames production department for producing goods which are not of good quality and are unable to meet the customers' expectations. The finance department blames both

production and marketing departments for declining the return on investment and bad marketing. (NCERT)

- (a) What quality of management do you think the company is lacking? Explain briefly.  
(b) What steps should the company management take to bring the company back on track?

- Ans.** (a) The quality that the management is lacking is coordination.  
(b) The top management should perform the following functions to bring the company back on track:
- (i) The general manager should coordinate among all departments.
  - (ii) The general manager should take information from the marketing department about the customers' preferences.
  - (iii) The general manager should inform the production manager about the quality and quantity of the goods to be produced.
  - (iv) All departments should receive instructions from the general manager and work in consultation with other departments.
  - (v) The top management should discuss the overall performance of different departments to ensure fair returns on the capital employed.

- 3. A company wants to modify its existing product in the market due to decreasing sales. You can imagine any product about which you are familiar. What decisions/steps should each level of management take to give effect to this decision? (NCERT)**

- Ans.** A firm manufacturing colour television wants to manufacture LCD and Plasma TVs. Following decisions will have to be taken at different levels:

Decisions at Top-Level Management	Decisions at Middle-Level Management	Decisions at Supervisory-Level Management
♦ To plan on the techniques of modernisation.	♦ To implement the plans made by the top-level management in their respective departments.	♦ To assign the tasks to the workforce.
♦ To organise and assemble necessary resources.	♦ To interpret the plans to their subordinates.	♦ To supervise that the tasks are carried out as instructed.
♦ To coordinate the efforts of all the departments towards modernisation.	♦ To employ necessary workforce for modernisation.	♦ To ensure that both efficiency as well as effectiveness are achieved.

- 4. A firm plans in advance and has a sound organisation structure with efficient supervisory staff and control system. On several occasions it finds that plans are not being adhered to. It leads to confusion and duplication of work. Advise a remedy. (NCERT)**

- Ans.** The advice before the management is to enforce the coordination effectively. It seems every department is working efficiently but collectively, integration of efforts seems to be missing and the reason is: plans are not being adhered to. The company is advised to follow the following suggestions:

- (a) Planning and controlling departments should coordinate their efforts and planners should revise their plans in the light of results achieved.

- (b) The company should ensure implementation of plans and focus on monitoring the results.
- (c) For achieving effective coordination, the company should improve communication, fill gaps in plans and integrate the efforts of various departments.
- (d) The managers and supervisors should be given training to develop leadership qualities.
- (e) Incentive plans should be implemented to motivate the workforce at the different levels.

**5. Mr Rattan Tata, the group chairman of TATA group decided to add segment of small cars in its goals to help the middle class families. The company opened new plant in remote area in West Bengal to manufacture its small car 'NANO' to provide employment opportunities to unemployed youth from the rural areas. This initiative has raised the standard of living of people in rural areas. All children in these families are getting good education and these families are also actively contributing to the nation building through their dedicated work.**

- (a) Identify the objective of management highlighted in the above-mentioned case.
- (b) Explain the feature of management associated in the above case.
- (c) Identify and explain the point of importance highlighted in the above case.

**Ans.** (a) Social objective.

- (b) **Management is dynamic.** (Explain briefly)

**Hint:** The group decided to add segment of small cars in its goals.

- (c) **Helps in develop of society**

**6. Mr Dinker, the production manager, instructed the production-in-charge to produce 10,000 units of generator sets within one month with a standard cost of ₹ 5,000, inclusive of all materials. The production-in-charge completed the task within reasonable time but at the cost of ₹ 6,000 per set due to short supply of raw material and costly labour.**

- (a) How would you rate the production-in-charge in terms of completion of task with higher cost?
- (b) Differentiate between efficiency and effectiveness on the basis of meaning and purpose.
- (c) State the level of management at which Mr. Dinker is working. Also write of his functions he must be performing.

**Ans.** (a) The production manager is **inefficient** as he completed the task at higher cost but effective as he completed the task in time.

- (b) Difference between efficiency and effectiveness: (Refer: Efficiency and Effectiveness)

- (c) Mr. Dinker is working at middle level of management. He must be performing following functions. (Refer the Topic 'Levels of Management'.)

**7. Shantanu is the general manager of Hindustan Soaps and Chemicals Limited. The company found that over the past few years, the sales of its products were**

declining. He assigned the job to the marketing manager to find out the reasons. He consulted the matter with area sales managers and sales executives. They came to the conclusion that the consumers are becoming health conscious and prefer products made from natural extracts. It was also found that its competitors are manufacturing and selling the products made from natural herbs. The company decided to change the technology accordingly and appointed new distributors.

(a) By quoting the lines, identify the objective the company has focused to achieve.

(b) Identify and briefly explain the feature of the management highlighted in the above paragraph.

(c) At which level Mr Shantanu is working? State more designations at such level.

**Ans.** (a) **Organisational objectives** (Growth)

*Quote:* The company found that over the past few years, the sales of its products were declining.

(b) **Management is a group activity.** (Explain briefly)

*Quote:* He consulted the matter with Area Sales manager.

**Or**

Management is dynamic. (Explain briefly)

*Quote:* Consumers are becoming health conscious.

(c) Shantanu is working at a top level. More designations at the top level of management are managing director, directors, chief executive officer, chief product officer, chief finance officer, etc.

8. Aman, Ahmed and Ally are partners in a firm engaged in the distribution of dairy products in Maharashtra. Aman is a holder of Senior Secondary School Certificate from the Central Board of Secondary Education with Business Studies as one of his elective subjects. Ahmed had completed post-graduation in history and Ally in dairy farming. One day there was a serious discussion between Ahmed and Ally regarding the nature of management, in which Ahmed argued that management was a profession whereas Ally argued against it saying that the legal and medical professions are the only true professions because they fulfil all the conditions of a profession. On the basis of his knowledge of business studies, Aman explained the nature of management as a profession to Ahmed and Ally.

Explain how Aman would have satisfied both Ahmed and Ally.

(Delhi Compartment 2015)

**Ans.** *Refer:* Management is a Profession.

**Hint:** Explain the features of management as profession and conclude that management fulfils some conditions of a profession partially. Thus, management is not a full-fledged/ true profession.

9. Kamal, Khan and David are partners in a firm engaged in the distribution of dairy products in Madhya Pradesh. Kamal is a holder of Senior Secondary School Certificate from the Central Board of Secondary Education with Business Studies as one of his elective subjects. Khan had completed post-graduation in Hindi literature and David in dairy farming. One day there was a serious discussion between Khan and David regarding the nature of 'management as a science'. Khan argued that management was not a science, whereas David was of the opinion

that management was a science. Kamal intervened and corrected both Khan and David about the nature of management as a science with the help of his knowledge in business studies. Explain how Kamal would have been able to satisfy both Khan and David. (Outside Delhi Compartment 2015)

**Ans.** Kamal would have been able to satisfy both Khan and David by explaining the features of management as a science.

**Features of management as a science:** (Refer: Management as a Science)

## (NCERT (Textual Questions with Answers

### A. Very Short Answer Type Questions

1. What is meant by management?
2. Name any two important characteristics of management.
3. Identify and state the force that binds all the other functions of management.  
[Hint: Coordination]
4. List any two indicators of growth of an organization.
5. Indian Railways has launched a new broad gauge solar power train which is going to be a path breaking leap towards making trains greener and more environment friendly. The solar power DEMU (Diesel Electric Multiple Unit) has 6 trailer coaches and is expected to save about 21,000 liters of diesel and ensure a cost saving of ₹ 12,00,000 per year. Name the objectives of management achieved by Indian Railways in the above case.  
[Hint: Organisational & Social]

### B. Short Answer Type Questions

1. Ritu is the manager of the northern division of a large corporate house. At what level does she work in the organization? What are her basic functions?  
[Hint: Middle level]
2. Why is management considered to be a multi-dimensional concept?
3. State the basic features of management as a profession?
4. Company X is facing a lot of problems these days. It manufactures white goods like washing machines, microwave ovens, refrigerators and air conditioners. The company's margins are under pressure and the profits and market share are declining. The production department blames marketing for not meeting sales targets and marketing blames production department for producing goods, which are not of good quality meeting customers' expectations. The finance department blames both production and marketing for declining return on investment and bad marketing.
  - (a) State the quality of management that the company is lacking?
  - (b) What quality of management do you think the company is lacking? Explain briefly.
  - (c) What steps should the company management take to bring the company back on track?

[Hint: Refer: Application based Questions (LAQ)]



5. Coordination is the essence of management. Do you agree? Give reasons.
6. Ashita and Lakshita are employees working in Dazzling enterprises dealing in costume jewellery. The firm secured an urgent order for 1,000 bracelets that were to be delivered within 4 days. They were assigned the responsibility of producing 500 bracelets each at a cost of ₹ 100 per bracelet. Ashita was able to produce the required number within the stipulated time at the cost of ₹ 55,000 whereas, Lakshita was able to produce only 450 units at a cost of ₹ 90 Unit.  
State whether Ashita and Lakshita are efficient and effective. Give is Justify your answer.  
[Hint: Akshita is effective but not efficient. Lakshita is ineffective but efficient.]

### C. Long Answer Type Questions

1. Management is considered as both science and art. Do you agree
2. Do you think management has the characteristics of a full-fledged profession?
3. "A successful enterprise has to achieve its goals effectively and efficiently" Explain.
4. Management is a series of continuous inter-related functions. Comment.
5. A company wants to modify its existing product in the market due to decreasing sales. You can imagine any product about which you are familiar. What decisions/ steps should each level of management take to give effect to this decision?  
[Hint: Refer: Application based Questions (LAQ)]
6. A firm plans in advance and has a sound organization structure with efficient supervisory staff and control system but on several occasion it finds that plans are not being adhered to. It leads to confusion and duplication of work. Advise remedy.  
[Hint: Refer: Application based Questions (LAQ)]

## Previous Year Questions

### A. Very Short Answer Type Questions

1. Give the meaning of 'Process' in the definition of management.  
(CBSE Compartment 2019)
2. Give the meaning of Co-ordination.  
(CBSE Compartment 2019)
3. 'Management is the process of getting things done'. State the meaning of the term 'process' used in this statement.  
(CBSE Delhi 2016)
4. State any one characteristic of coordination.  
(CBSE Sample Paper 2016)
5. How does management help in increasing efficiency? (CBSE Sample Paper 2016)

### B. Short Answer Type Questions

1. Identify the level of management whose basic task is to integrate diverse elements and coordinate the activities of different departments according to the overall objectives of the organisation. State any two functions of the level of management identified.  
(CBSE Sample Paper 2020-21)  
[Hint: Top Level Management]
2. List any three tasks that Mr. Armstrong needs to do, as a production manager, in his firm, to carry out the plans laid down by the top managers. OR Enumerate the three economic objectives of management.  
(CBSE Sample Paper 2019-20)

3. 'Science is a systematized body of knowledge that explains certain general truths or the operation of general laws.' In the light of this statement, describe management a science.

**Or**

Management is a complex activity that has three main dimensions. Explain these dimensions.  
(CBSE 2019 Delhi Region)

4. What is meant by coordination? State its any four features.  
(Delhi/Outside Delhi 2018)
5. Briefly describe the organisational objectives of management.  
(Compartment Outside Delhi 2016)
6. State any three features of coordination.  
(Outside Delhi/Comptt./Outside Delhi 2016/Comptt. 2014)
7. State any three points of importance of management.  
(Compartment Delhi 2016)
8. State any four functions of operational management.  
(CBSE Sample Paper Delhi 2016-17)
9. What is meant by management? Explain any three features that establish it as an art.  
(Outside Delhi 2016)

### **C. Long Answer Type Questions**

1. State any five characteristics of coordination. (CBSE Compartment 2019)
2. State any five points that highlight the importance of 'Management'.  
(CBSE Compartment 2019)
3. State any five characteristics of management. (CBSE Compartment 2019)
4. Explain any five characteristics of co-ordination. OR Explain any five points of importance of management. (CBSE Outside Delhi 2019)
5. State any five functions performed by the manager who is working at the middle level management. (Sample Paper 2018-19)
6. State any five characteristics of coordination.  
(Sample Paper 2018-19 Compartment Delhi/Outside Delhi 2018)
7. Give any five characteristics of management. (CBSE Sample Paper 2017-18)
8. Is management a science? Explain. (Compartment Outside Delhi 2017)
9. Describe any four characteristics of coordination. (Outside Delhi 2016)