

Management

Managing, controlling, organising, implementing decisions.

Management is a social process

Science

Art

Profession

CAMA → Corrective Action inutive Action.

Quality Assurance focusses on Prevention.
Next processes are corrective.

Cause & Effect Relationship →
Ishikawa (fish-bone diagram)

TQM: Total Quality Management
principles, practices & techniques

↓
general guidelines implement ation support

Art of convincing

Establishing proper supplier relationship based on ideas

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Marketing

Product oriented

AIMA → All India Management Association

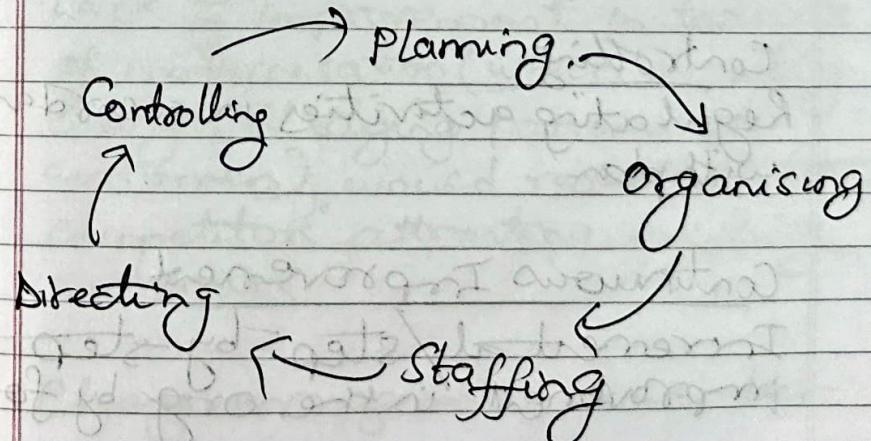
Selling

- Customer oriented

Defn) Forecast, plan, organise, command, coordinate, control.

- Art of knowing what you want to do & then doing it in the best & cheapest way.
- Enabling groups of people with diff knowledge, skills & backgrounds to work together towards a common goal.

Nature & characteristics



Proj management

- 1) project planning
- 2) Scheduling / Sequencing
- 3) Control / measure

planning

Decide in advance what is to be done.

Organising

Allocating resources & materials.

Staffing

Human Resource operations

Directing

Initiating work in org.

Controlling

Regulating activities in accordance with plan

Continuous Improvement

Incremental / step-by-step improvement in the org by foll.

PDCA cycle

Plan, Do, Check, Act

~~challenges~~

Operations management:- Deals with transformation of input to output, i.e. product to service - using man, machine, money, materials.

challenges to management

→ Innovation & (Radical New)

- finding new ways
- Developing new prod
- Incremental improvement over existing product.
- Gradual incremental adjustments.

Lack of improvement in today's era of modernisation (which is seeing changes in buying patterns of customers) would result in other competitors attracting existing customers.

Change management: lower tier

employees would resist change
in the fear that the change
would eat up their job

→ Modern technologies

Automation, Industrial Revolution 4.0,
Blockchain

→ Globalisation

Competing with the global market.
Need to possess info of what
other companies are doing (Benchmark)

→ Social Responsibility

CSR (Corporate Social Responsibility)

- Equity
- Diversity
- Inclusiveness

→ Employee Empowerment

→ Cultural diversity

→ Quality & Productivity

Quality is conformance to
specification performance of

product.

Service Quality:-

Expectation & perception.

5 parameters

- Responsiveness
- Reliability
- Empathy
- Assurance
- Tangibles

Deformed product
increases overall cost.

Cost

- prevention → corrective action at source.

Productivity = $\frac{\text{Output}}{\text{Input}}$

= $\frac{\text{Output}}{\text{Labour I/P + Capital I/P}}$

Achieving efficiency

Six sigma: out of 10 lakh products
only 3 defective products are allowed.

Reaching the level Six sigma is the goal of the organisation.

service quality

SQ = Experimentation \rightarrow Perception

factors influencing organisation

- Govt
- HR
- Process manuals
- Int. & Ext. Factors

SWOT Testing of org.: + 200
Strength, Weakness, Opportunity, Threat

Management by objective

- Determine org. goals
- Compl. objectives
- ~~freq.~~ Monitoring progress & perf
- Perf. evaluation.

KPI (Key Performance Indicators)

→ providing feedback

To improve efficacy of employee?
Time study & motion study

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↳ Bureaucratic theory - structured hierarchy,

e.g. president

|
Vice President

|
Manager

|
Vice manager

|
- .

functional department

governance framework
reports to → reports to
Institute

Institute

profession | service | networks b/w →
experts & others for goal →

for business | institution →
experts

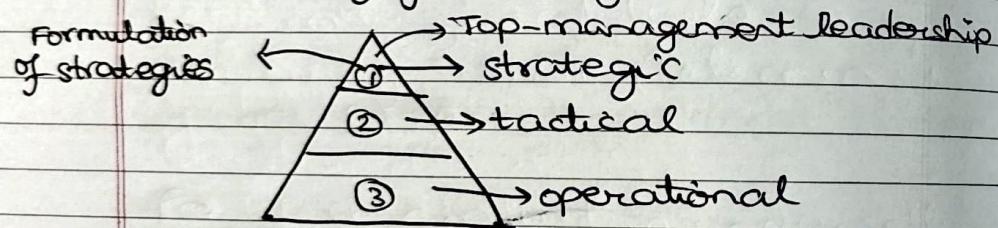
(Institute) road map →

top management for war
at shoot top agenda regional

05/08/2024

(Basic) Management Functions

- Planning
 - Organising
 - Directing
 - Staffing
 - Control
 - Reporting
 - Budget
- (Added later)*

Hierarchy of management

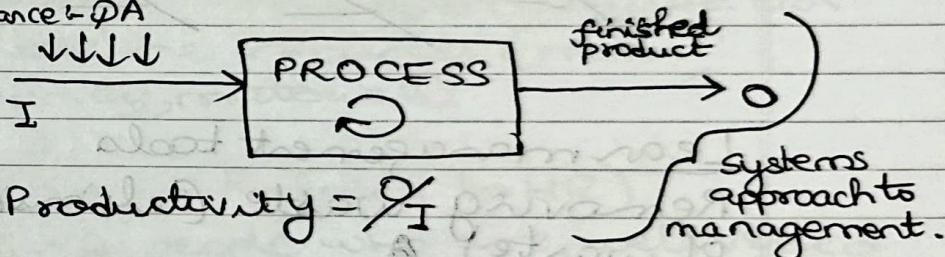
- ① Fund allocation / salaries / workforce
- Does not execute strategies
- ② Implementation / Execution of strategies.
- ③ shop floor (operational)

Flow of communication amongst layers. Absence of it leads to

disruption in decision making.

- Staffing :- (HR) - recruitment, salary, hiring people.
- Control: upon finding some errors in the product, we need to make changes (corrective & preventive action - CAPA).

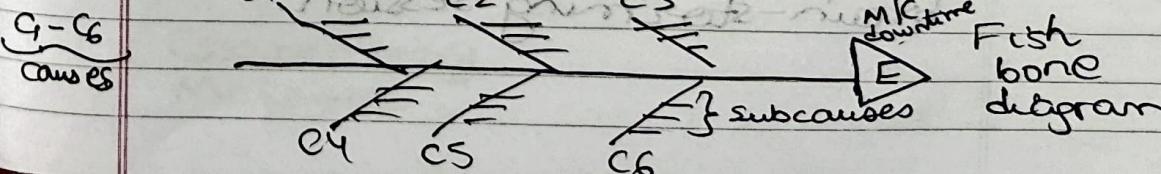
Quality Assurance & QA



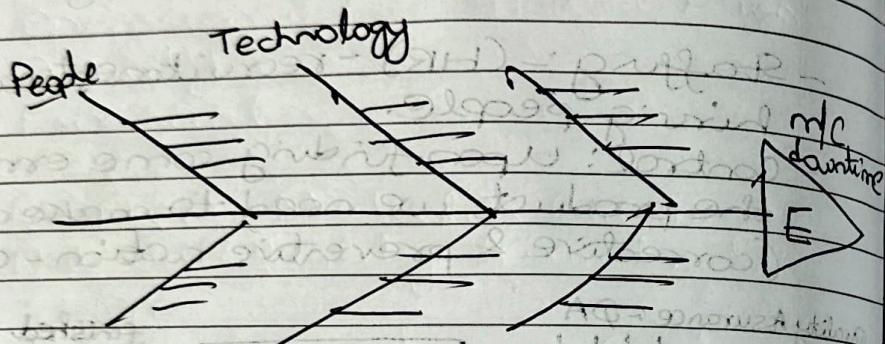
Directing :- Upper layer people provide directions to lower layers in order to perform certain tasks.
(Delegating to subordinates)

Seven quality control tools used in industry:-

→ Cause-Effect relationship :



Machine downtime is the effect



Lean management tools

Removing waste (elimination of waste)

If a product is underselling we need to focus on

- critical areas

80% of problems in organisation are due to 20% of causes

causes can be found through brain-storming session.

organising

- Planning and organisation exhibit positive correlation.
- Forecasting (Qualitative & quantitative) analysis of sales.
- Research, market segmentation
- Operations: Process of conversion of I/P to O/P. How optimally we can choose the resources (man, money, materials).

Staffing (Related to HR)

Hiring people who are well versed with the product, so that the objective of the organisation can be achieved.

measure performance of employees through indicators.

Directing

Motivation: - Salary, Rewards, Promotion, etc.

Controlling Measure

Performance measurement metrics

- 1) Operational
- 2) Quality
- 3) Financial
- 4) Innovation

- MBNQA : Malcolm Baldrige National Quality Award.
- EFQM
- BSC: Balanced Score Card

Measures of performance in IEST vs IIT KGP:-

- 1) Lab facilities
- 2) No. of UG/PG graduates per year
- 3) No. of Ph.D produced
- 4) Hostel facilities
- 5) No. of publications
- 6) No. of patents
- 7) International collaboration
- 8) Sports facilities
- 9) Placement
- 10) Post UG
- 11) No. of students doing higher studies abroad
- 12) Post Doc

Planning

- Majorly at higher phase.
- Intellectual process to achieve objectives of organisation (Accomplishment of goal).

Evaluating alternative suppliers based on some criteria.

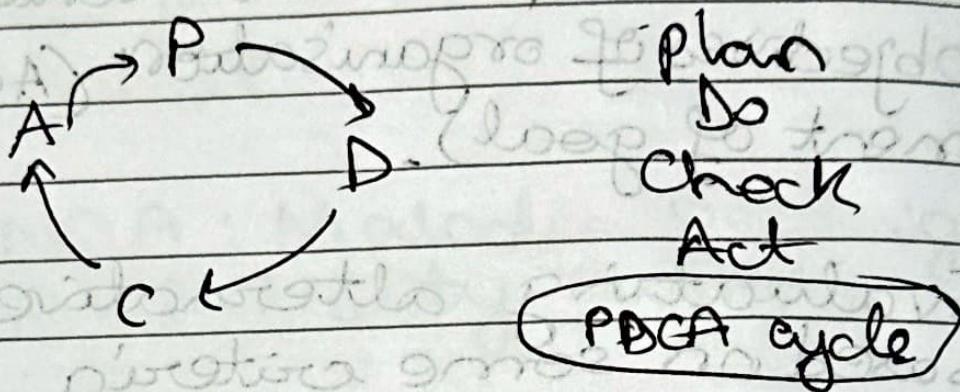
- Quality
- past experience
- ISO certification
- Market Goodwill (mGuw)
- Responsiveness (Timely delivery of raw materials).

Derivative plan :- if above plan does not work, formulate back up plan(s).

- Employee participation (for only those eligible).
- Cooperation : Breaking silos between teams, followed by follow-up.

Continuous / Incremental Improvement : Step by step

improvement from ~~low~~ lower to higher level of organisation.



Kaizen

change for better (Japanese philosophy)

Granting Authority; - Delegating tasks to subordinates.

Q) What are the ^{external & internal} factors that influence the management of an organisation in an effective way?

Assignment (Submit on 12/08/2024)

Q) Elucidate on the internal and external factors that influence organisational management to work in a more effective manner

Managerial Objectives

Proper information flow from bottom to top layer.

A proper communication system should have existed, where updates are sent to top layer.

- 1) ~~Q~~ What is project charter?
- 2) Information systems within organisation (say thumbprint).

Major objectives of a company

- Optimal utilisation of resources : man, machine, materials, money, information technology — given the amt of resource & capital
- Enhancing shareholders return : When the company is in growth stage, return of investment of Shareholders
- Increase market share : Improving quality of product & service.

Quality Improvement (QI)

↓
Productivity Improvement

↓
Innovative Product

↓
More sales in the market.

↓
Market share → more no. of jobs

↓
Employee Rotation

↓
Return of Investment.

— Adapt and Adjust : More
resilient, more agile to
environment, government policy.
Adjust the process → flexibility.

Reduce in downtime.

Inf Major

✓ Optimal utilisation of Resource

✓ Increase market share

✓ Adjust & adapt

✓ Stretch-go : Increase productivity by

a specific percentage.

— Improving specific attributes: Service Quality →

→ product (durability, performance,
tensile strength)

⇒ nw (attenuation bandwidth)

— Reduction in specific costs:-

Cost ↓, Quality ↑, Productivity ↑

Corporate Social Responsibilities (CSR)

Based on demands, whatever you
have earned from the society, you
must pay back to the society.
Focuses on societal aspects.

— Philanthropic - charity, donation

— Ethical :

— legal :

— Economic :

Charitable cause - includes increasing
purchasing power for needy

— Increasing sanitary levels at
rural areas.

Benefits of CSR

1) CSR helps in capturing market because beneficiaries become our customers.

Sustainability (SD goals) —

Hunger, poverty, sanitation

Stockholders those who invest in the company

- Investors
- Customers

2) CSR Enhanced relationship with stakeholders

3) Winning new business: CSR may provide with new opportunities

4) Enhancing influence in industry

5) Access to funding opp

6) media interest / good reputation

7) Customer Retention (Increase)

8) Saving money on energy & op. cost

9) Diff from competitor.

17 SDG goals (Sustainable Development)

Diversity, Equity, Inclusiveness →
Cultural workforce.

5 SDGs that a company should follow.

~~SDGs that companies~~

(*) Q) Write the 17 SDG goals. exam
site

Lijat Papad focuses on which SDG goal?

Education, Environment, Health
1, 3, 4, 8, 11, 12

(*) Henry Fayd's 14 Principles of Management.

6. Equity in the form of social justice.

26/08/2024

What is marketing?

- The process of creating, distributing, promoting and pricing goods and services and ideas to facilitate, satisfy, exchange relationship with customers in a dynamic environment.

Marketing covers the foll. aspects:-

- Online marketing
- Public relations
- Advertising
- Social media
- Direct marketing
- Strategy
- Pricing
- Publicity
- Branding
- Promotions

flow:- Market Planning → Research → Implementation → Evaluation

Marketing

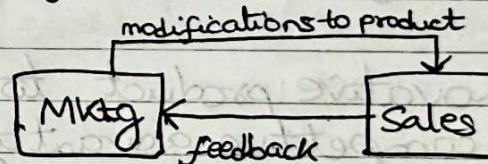
- Product oriented
- wider concept
- creates a pull strategy
- focusses on long term aspects
- continues after the product is sold.

Selling

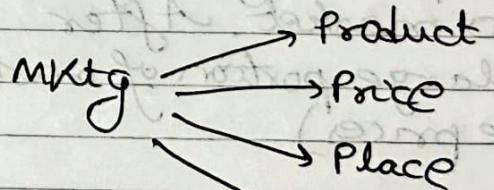
- customer oriented
- narrow concept
- push strategy
- focusses on short term aspects
- does not continue after product is sold.

Customer feedback

Marketing → interacts & gets feedback (Mktg) from sales



Marketing Mix (4 P's of marketing)



Promotion

Each component (P) creates a utility.

Product : P

- ① Features
- ② Quality
- ③ Packaging
- ④ Branding
- ⑤ Warranties

- Price
- ① Setting price for → innovative product & functional product
 - ② Allowance
 - ③ Discount
 - ④ Payment terms

Two types of pricing:-

- Price Skimming
- Price Penetration

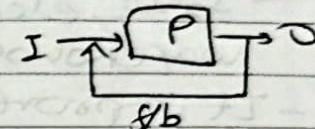
for an innovative product, to maintain competitive advantage, we follow price skimming (e.g. make the price higher & release into market. After capturing large portion of market, reduce the prices)

For functional products → price penetration (lower price & then

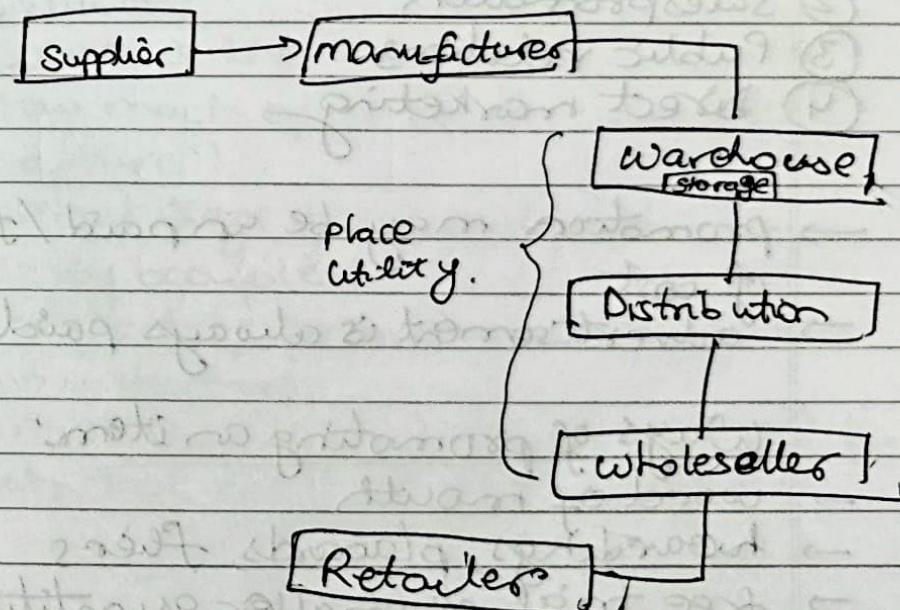
introduce to market & then raise the price).

Place (Type of distribution channel)

- ① Distribution
- ② Transportation
- ③ Inventory
- ④ Location



- Form Utility : finished products.
- Time Utility
- Possession Utility



JIT (Just In Time) philosophy / batch / jobshop production :-
Supply chain directly from manufacturer to customer.

It decreases

- Space, electric, security warehouse, storage costs
- It improves time of service.

Time Utility

Promotion

- ① Advertisement
- ② Sales promotion
- ③ Public relations
- ④ Direct marketing

→ promotion may be unpaid / free of cost

→ advertisement is always paid for.

Ways of promoting an item:

- word of mouth
- hoardings, placards, flyers
- free trial of smaller quantity

Market research involves segmentation, to identify the customers potential.

Market plan

Market knowledge

Market research

Pricing approach strategy

Market Analyst

- define purpose and objectives
- where do potential customers go to purchase?
- why do they choose to go there?
- why do they have affinity for that product?
- what is the size of the market?
- how much of it can the business capture?
- what %age of market share have they occupied?
- Impact of promotional activities on customers
- what type of products are desired by potential customers?

Market

It is a group of potential consumers who have purchasing power and unsatisfied requirement.

Marketing research

Gathering of quality info. about a market followed by analysis