



**BCA**



Semester - 3rd



# **Fundamentals of Management & Business Accounting**

**Notes - 1**

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*Concept: Nature, Functions of Managers, Management: Arts Vs Science, Evolution of Management Thoughts, Functions of Management.*

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## **Concept of Management**

Management means getting work done through others in an efficient and effective way.

It is the process of planning, organizing, directing, and controlling the efforts of people to achieve organizational goals.

In simple words, management is an art of managing people and resources so that the work is completed successfully and on time.

Example:

In a company, the manager plans how the work will be done, divides the tasks among employees, guides them, and checks if everything is going as planned.

## **Nature of Management**

The nature of management describes the characteristics that explain what management actually is.

Here are the main points:

### **1. Universal Process**

Management is used everywhere – in schools, hospitals, businesses, or government offices.

Every organization needs management to achieve goals.

### **2. Goal-Oriented**

Management always focuses on achieving specific objectives like profit, growth, or customer satisfaction.

### **3. Continuous Process**

Management is not a one-time activity. It is a continuous process of planning, executing, and controlling work.

### **4. Group Activity**

Management cannot exist without people. It involves coordinating the efforts of a group to reach a common goal.

### **5. Intangible Force**

Management cannot be seen physically, but its presence is felt through discipline, coordination, and efficiency in work.

### **6. Dynamic Function**

Management must change according to the environment – like technology, competition, or customer needs.

### **7. Both Art and Science**

Management is an art because it requires personal skill and creativity, and a science because it follows principles and theories.

# **Functions of Managers**

The functions of managers are the main activities performed by them to manage an organization properly.

These are usually explained using Henry Fayol's Five Functions of Management or the POC<sup>3</sup> model (Planning, Organizing, Commanding/Leading, Coordinating, and Controlling).

## **1. Planning**

Planning means deciding in advance what to do, how to do, when to do, and who will do it.

It sets the future direction for the organization.

Example: A manager makes a plan for increasing sales next month.

## **2. Organizing**

Organizing means arranging resources like men, money, and machines to implement the plan properly.

It includes assigning tasks, grouping jobs, and defining authority.

Example: The manager divides the work among employees based on their skills.

## **3. Staffing**

Staffing means recruiting the right people for the right job and training them.

It ensures that the organization has skilled and capable employees.

#### **4. Directing (Leading)**

Directing means guiding, motivating, and supervising employees to achieve organizational goals.

It involves leadership, communication, and motivation.

Example: The manager encourages his team to complete the project before the deadline.

#### **5. Controlling**

Controlling means checking whether the actual performance matches the planned performance.

If there is any difference, corrective action is taken.

Example: The manager compares the actual sales with the target sales and finds reasons for the difference.

#### ***In Simple Words (For Understanding):***

Management ek process hai jisme manager apni team ke sath milke organization ke goals achieve karta hai.

Manager planning karta hai kya karna hai, organizing karta hai kaam kaise hogta, staffing karta hai right logon ko select karta hai, directing karta hai employees ko motivate karke kaam karwata hai, aur controlling karta hai ki sab kuch plan ke hisaab se ho raha hai ya nahi.

Yehi sab uske main functions hain, jisse organization smoothly chalti hai aur success milti hai.

# **Management: Art vs Science**

## **(a) Management as an Art**

Art means personal skill, creativity, and experience to get the best results.

Management is also an art because it involves handling people, motivating them, and using personal judgment to solve problems.

### ***Features of Management as an Art:***

Practical Knowledge – Manager applies his knowledge in real situations.

Personal Skill – Every manager uses his unique style and creativity.

Goal-Oriented – Like an artist, a manager's aim is to achieve success (results).

Practice-Based – The more experience a manager has, the better he becomes.

Creativity – Managers need innovative ideas to solve problems effectively.

Example:

A sales manager motivates his team in a new way to increase sales – that's art in management.

## **(b) Management as a Science**

Science is a systematic body of knowledge based on facts, principles, and experiments.

Management is also a social science because it applies tested principles to achieve goals.

### ***Features of Management as a Science:***

Systematic Body of Knowledge – Management has principles (like planning, controlling, motivation).

Universal Application – These principles can be used anywhere – business, schools, etc.

Cause and Effect Relationship – Example: Good planning → Better results.

Observation and Experimentation – Management principles are developed after research.

Prediction – Managers can predict outcomes based on management theories.

Example:

If a manager motivates employees (cause), their performance improves (effect).

### ***Conclusion (Art vs Science)***

Management is both an Art and a Science:

As Science: it gives principles and theories.

As Art: it helps in applying those principles with skill and creativity.

### ***In short:***

“Science provides the knowledge, and art applies it.”

# **Evolution of Management Thoughts**

The evolution of management thoughts means how management ideas and theories developed over time.

It shows how management improved from traditional methods to modern techniques.

## **Main Stages:**

### **1. Classical Theory (Early 1900s)**

This was the first and oldest approach to management.

It focused on structure, rules, and efficiency.

#### a. Scientific Management (F.W. Taylor)

→ Focused on “one best way to do work” using time and motion study.

→ Main principles: Scientific selection of workers, training, cooperation, and division of work.

#### b. Administrative Theory (Henry Fayol)

→ He gave 14 principles of management (like division of work, unity of command, etc.).

→ Focused on functions of managers and organizational structure.

#### c. Bureaucratic Theory (Max Weber)

→ Focused on rules, hierarchy, and discipline in organization.

### **2. Neo-Classical Theory (1930–1950)**

This theory focused on the human side of management.

- Based on Human Relations Approach (Elton Mayo).
- Emphasized motivation, teamwork, leadership, communication, and employee satisfaction.
- Example: Workers perform better when they feel valued and respected.

### **3. Modern Theory (1950–Present)**

This is the latest and most practical approach.

It views management as a system and focuses on adaptability.

- System Approach: Organization is a system of interrelated parts.
- Contingency Approach: “No one best way” – management depends on situation.
- Quantitative/Math Approach: Uses data and statistics for decision-making.

In simple words:

Pehle management sirf kaam aur rules pe based tha (Classical),  
phir logon ke emotions aur teamwork pe (Neo-Classical),  
aur ab situation aur data ke hisaab se (Modern).

# **Functions of Management**

Functions of management are the main activities managers perform to run an organization effectively.

They are the core steps of the management process.

## **Main Functions:**

### **1. Planning**

Deciding what to do, how to do, when, and who will do it.

→ Example: Manager plans how to increase sales next quarter.

### **2. Organizing**

Arranging resources (men, money, machines) to execute the plan properly.

→ Example: Assigning duties and creating departments.

### **3. Staffing**

Recruiting, selecting, and training people for the right jobs.

→ Example: Hiring skilled employees for different roles.

### **4. Directing**

Guiding, motivating, and supervising employees to achieve goals.

→ Example: Encouraging the team to complete targets on time.

### **5. Controlling**

Checking whether work is going as planned or not.

If not, taking corrective action.

→ Example: Comparing actual sales with planned sales.

## Practice Questions

1. Explain the concept and nature of management.
2. Describe the functions of managers in detail.
3. Discuss Management as an Art and a Science.
4. Explain the evolution of management thoughts.
5. What are the main components and characteristics of a computer system?
6. Explain the brief history of the development of computers.
7. What is the meaning and process of communication?
8. Describe the concept, nature, and functions of management.
9. Explain the difference between management as art and management as science with examples.
10. Describe the various functions of management according to Henry Fayol.

Check the answer in the Practice Questions section on our website.



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**Thank You**