



LECTURE 1

INTRODUCTION TO MANAGEMENT IN AN ORGANIZATION

By

Dr. Nisha Palagolla

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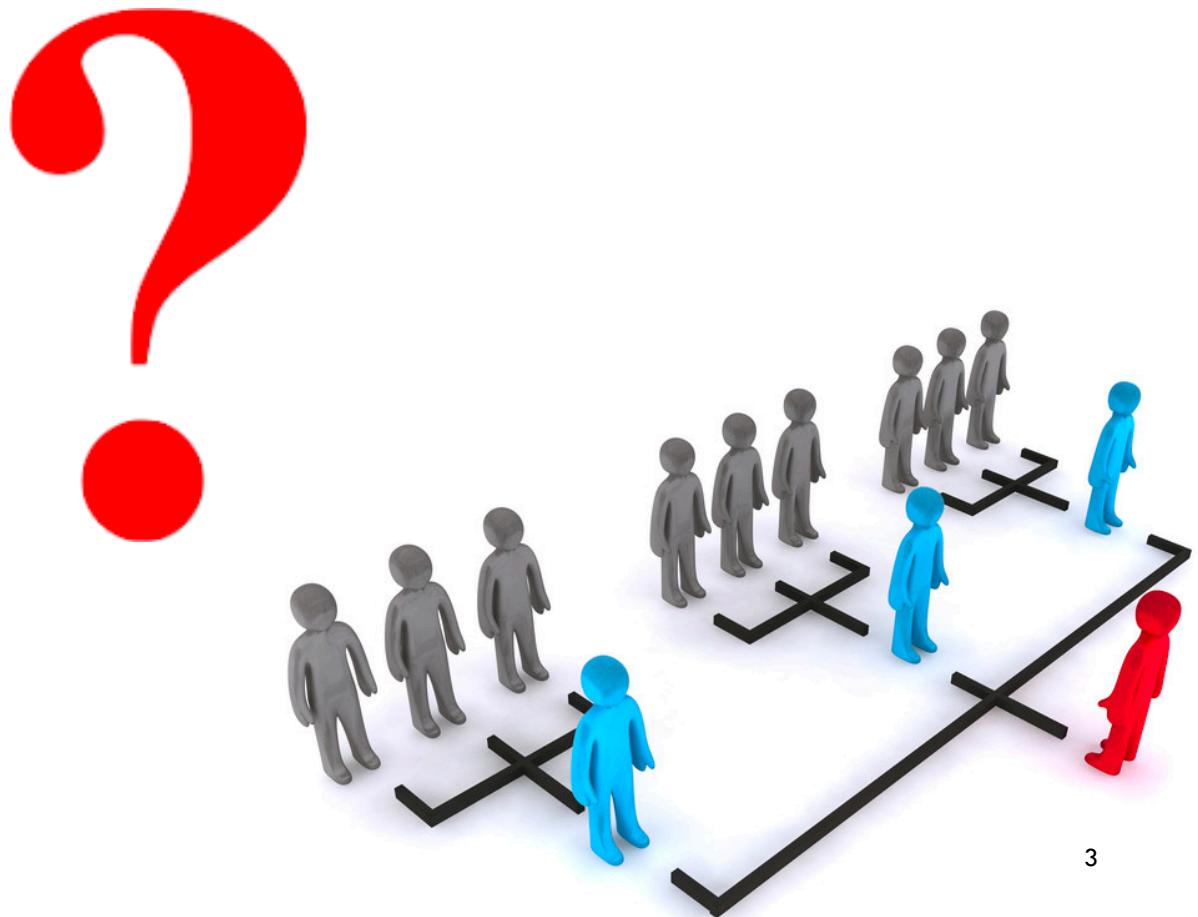


LEARNING OUTCOMES

On successful completion of this lesson, the learner will be able to:

- LO1:** Explain and define the terms: management, manager, organization and other related terms and concepts.
- LO2:** Differentiate between the fundamental terms: efficiency, effectiveness, entrepreneur, leader, manager and administrator.
- LO3:** Describe the levels of management and the primary responsibilities of each level.
- LO4:** Discuss the nature and importance of management.

MANAGEMENT





WHAT IS MANAGEMENT?

- Management is a purposive activity.
- Management is the process of getting things done.
- Management is the art and science of efficiently coordinating and directing human and material resources toward attaining organizational goals.
- Management is a universal phenomenon.



PRODUCTION-ORIENTED DEFINITION

- Management is the art of knowing what you want to do and then seeing that it is done in the best and the cheapest way.

Frederick Winslow Taylor
Principles of Scientific Management (1909)
Father of Scientific Management
(Taylorism)

Management is concerned with efficiency and effectiveness

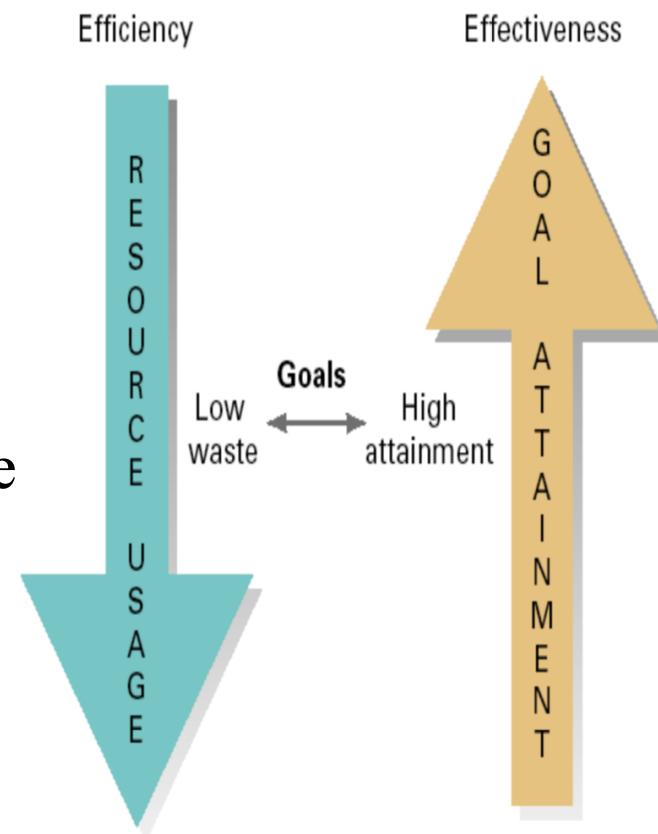


EFFICIENCY Vs EFFECTIVENESS

➤ Management is coordination and oversight of the work activities of others so that their activities are completed **efficiently and effectively**.

➤ **EFFICIENCY: Do Things Right**
Highest Output - Least Input

➤ **EFFECTIVENESS: Do Right Things**
Highest Goal Attainment at the Right Time

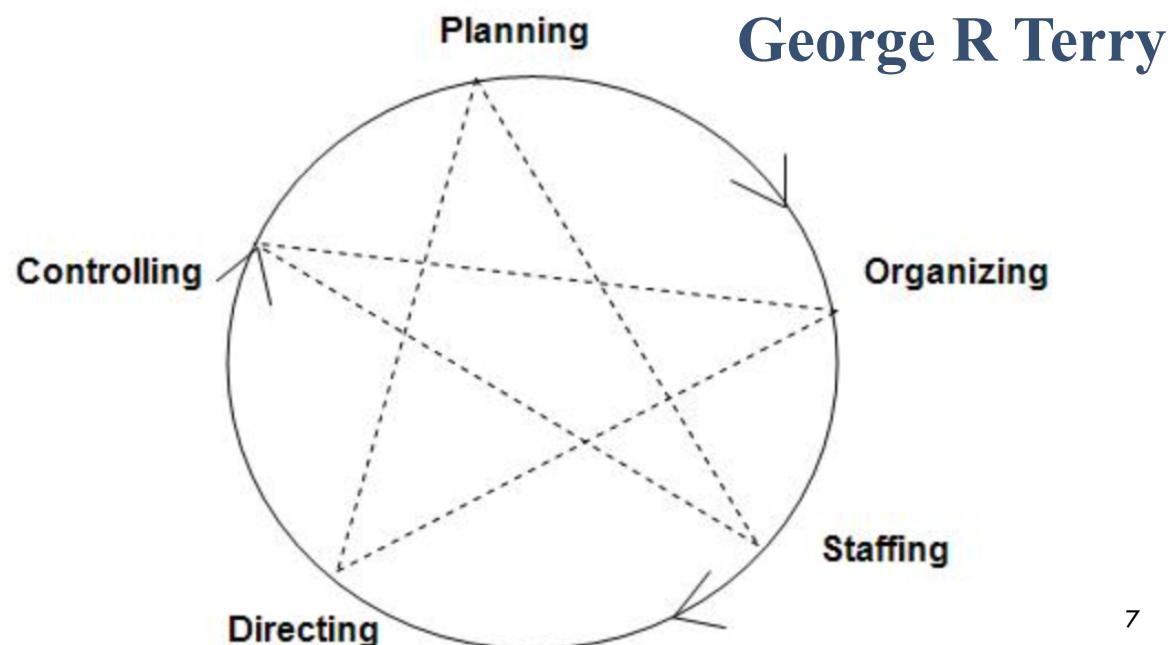




FUNCTION-ORIENTED DEFINITION

- Management is a distinct process consisting of planning, organizing, actuating and controlling; utilizing in each both science and art, and followed in order to accomplish pre-determined objectives.

Management involves multiple overlapping functions which are highly inseparable





PROCESS-ORIENTED DEFINITION

- Management is the process by means of which the purpose and objectives of a particular human group are determined, clarified and effectuated.

Peter Ferdinand Drucker
Father of Business Studies

**Management is a social process, an integrated
process and a continuous process**



DECISION-ORIENTED DEFINITION

- Management is the art and science of decision-making and leadership.

Donald J. Clough

- ✓ Management is an art.
- ✓ Management is a science.



MANAGEMENT IS AN ART

- Management involves personalized applications of universally accepted principles.
- Management demands practical knowledge.
- Management demands personal skills.
- Management demands creativity.
- Management demands constant practice towards perfection.
- Management seeks to achieve concrete results (goal oriented).



MANAGEMENT IS A SCIENCE

- Management has universally accepted principles.
- Management principles are objectively verified.
- Management involves cause and effect relationships.
- Management consists of systematic body of knowledge.
- Validity of management principles can be tested at any time.



PEOPLE-ORIENTED DEFINITION

- Management is the art of getting things done through others and with formally organized groups.

Harold Koontz

- Management is the "art of getting things done through people.

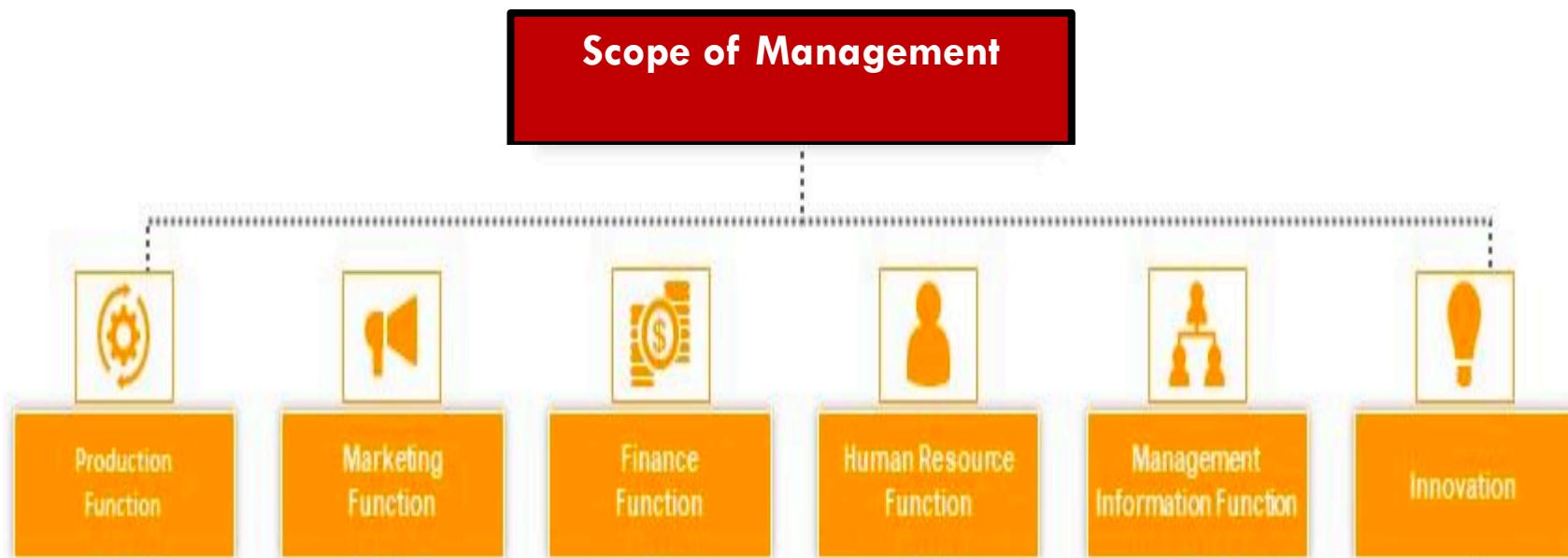
Mary Parker Follett

Management is concerned with developing relationships among people (human factor)



FUNCTIONAL AREAS OF MANAGEMENT

- Management can be broadly classified into functional areas as follows:





LEVELS OF MANAGEMENT





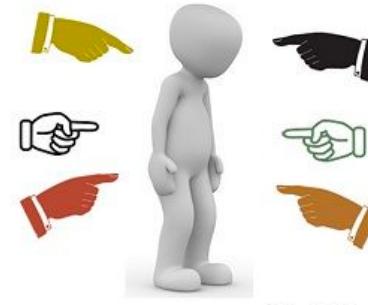
AUTHORITY AND RESPONSIBILITY

➤ AUTHORITY: Granting of power

- ✓ Making decisions (defining tasks/assigning people)

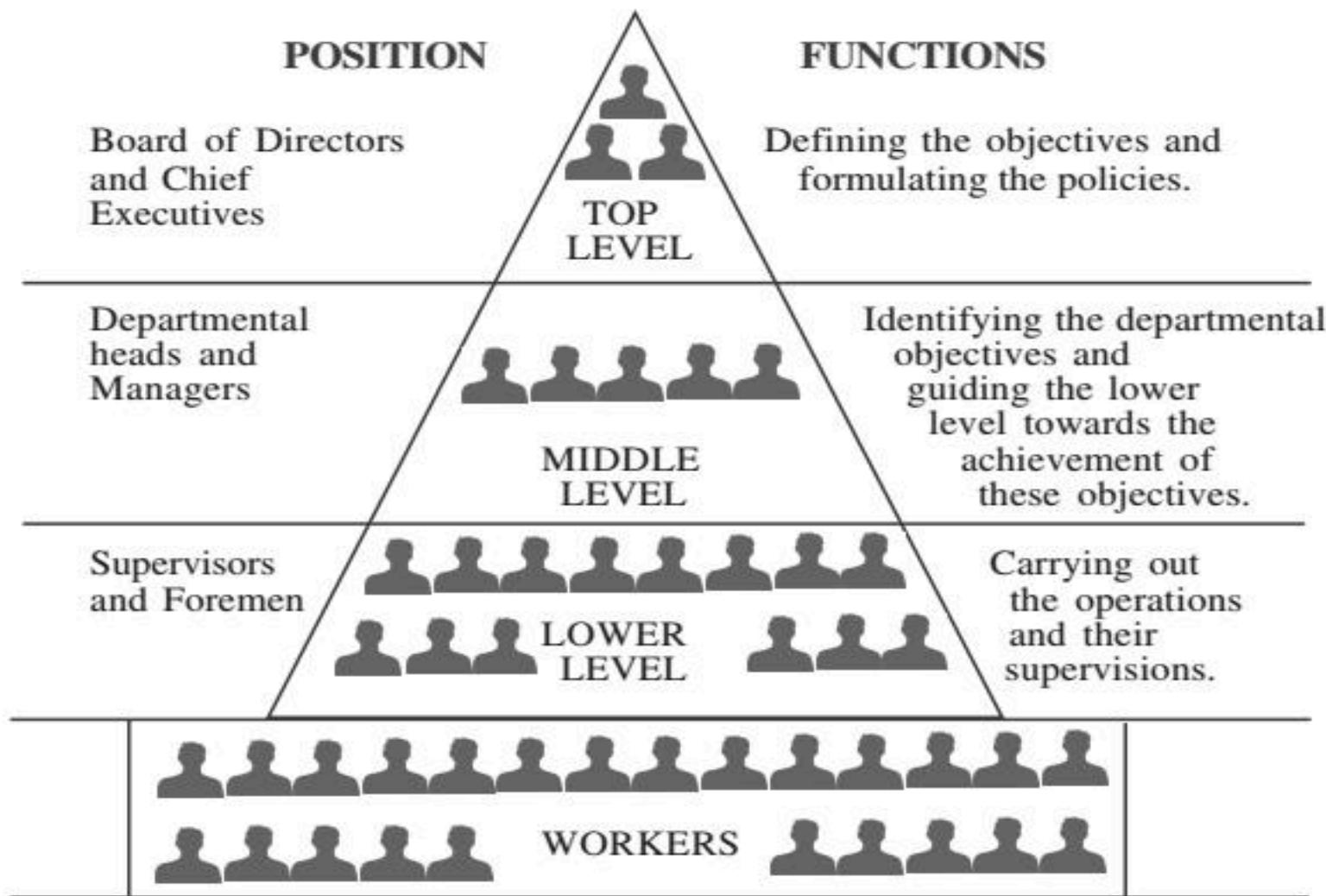
➤ RESPONSIBILITY: Fulfilment of obligation

- ✓ Obligation to perform assigned tasks





MANAGEMENT LEVELS & RESPONSIBILITIES





MANAGEMENT LEVELS & PROCESSES



All managers at all levels are responsible for all management processes to varying degrees.



MULTIDISCIPLINARY NATURE OF MANAGEMENT

- Though Management has developed as a separate discipline, it draws diverse knowledge and concepts from various disciplines.
- **Configuration of Knowledge:**
 - Economics
 - Law & Ethics
 - Psychology
 - Sociology
 - Statistics
 - Operations Research



MANAGER





WHO IS A MANAGER?

- The origin of the word manager comes from the Latin manus, meaning "hand."
- Because a good manager provides the necessary "hand," for guiding others.
- A manager is a professional who focuses on planning, organizing, and coordinating resources to manage tasks and deliver results.

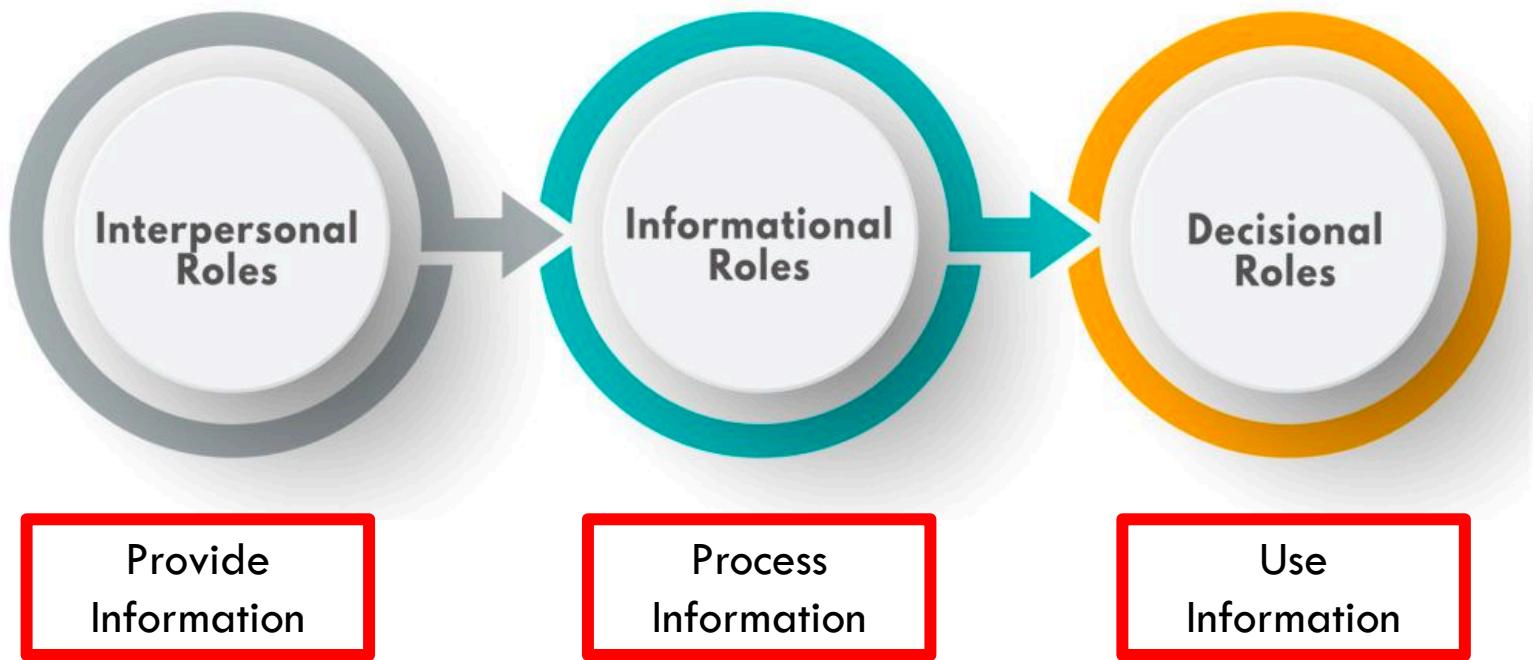


LEVELS OF MANAGERS





BASIC MANAGERIAL ROLES



Managerial roles are behaviors adopted to perform various management functions

Henry Mintzberg

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MANAGER Vs LEADER

- **MANAGER:** A person who focuses on managing work & output.
- **LEADER:** A person who focuses on people and leading them to achieve overall objectives.

MANAGER

- Focuses on things
- Executes a plan
- Focused on the present
- Controls
- Manages change
- Uses authority

Vs

LEADER

- Focuses on people
- Creates a vision
- Looks into the future
- Empowers
- Develops change
- Uses influence

Are all Managers not Leaders?



MANAGER Vs ENTREPRENEUR

- **MANAGER:** A person who focuses on managing work & output.
- **ENTREPRENEUR:** A person who runs their own business by finding financing, managing employees, accepting risks and making strategic decisions for the business.

**Are all business owners entrepreneurs
Are all entrepreneurs business owners**





MANAGER Vs ADMINISTRATOR

- **MANAGER:** A person who focuses on managing work & output.

- **ADMINIATRATOR:** A person who is responsible for setting and developing company's policies, procedures, rules and regulations – in compliance with national and international Laws.

**Are “Manager” and “Administrator”
mutually exclusive?**

AN ORGANIZATION





WHAT IS AN ORGANIZATION?

- “An organized group of people with a particular purpose, such as a business or a government department.”

Oxford Dictionary

- A complex and dynamic system that is linked to the external environment.
- An entity—such as a company, an institution, or an association—comprising one or more people and having a particular purpose.

Wikipedia

- “A system of cooperative activities of two or more persons”

Chester Bernard
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BASIC ELEMENTS OF AN ORGANIZATION

- **STRATEGY** – a planned direction.
- **STRUCTURE** – framework of getting things done.
- **CULTURE** – unique configuration of values, norms, beliefs, attitudes that shape the ways in which people behave.
- **PROCESSES** – series of activities that generates final results.



HOW AN ORGANIZATION FUNCTIONS?

STRATEGY
STRUCTURE
CULTURE &
PROCESSES are to be
tightly connected for the
effective functioning of an
organization.





A MODERN ORGANIZATION

➤ PURPOSE: Sustainable Corporate Performance

The impact a business has on its most important stakeholders: employees and their families, customers, suppliers, local communities.



The impacts a business has on the natural environment; for example, through use of natural resources, waste and emissions



The impact a business has on the local, national and international economy; for example, through creating employment, generating innovation, paying taxes, and creating wealth.

MANAGEMENT PRINCIPLES





WHAT ARE MANAGEMENT PRINCIPLES?

A principle refers to a fundamental truth.

It establishes cause and effect relationship.

It serves as a guide to thought & actions.

Management principles are the statements of fundamental truth based on logic which provides guidelines for managerial decision making and actions.

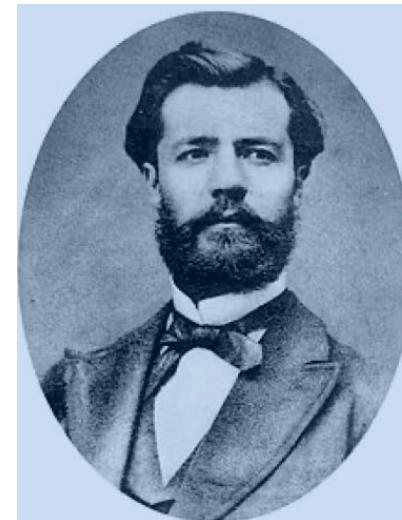
observations, analysis, experiences, experimental studies





14 PRINCIPLES OF MANAGEMENT

1. Division of Labour
2. Authority and Responsibility
3. Unity of Command (One Boss)
4. Unity of Direction (One Plan)
5. Equity
6. Order
7. Discipline
8. Initiative
9. Fair remuneration
10. Stability of tenure
11. Scalar chain
12. Individual Interest and General Interest
13. Team Spirit
14. Centralization and De-centralization



Henri Fayol
Father of Modern Management



IMPORTANCE OF MANAGEMENT

- Management helps setting up organizational goals.
- Management helps executing organizational strategies.
- Management helps achieving organizational objectives.
- Management helps optimum resource utilization.
- Management helps reducing costs.
- Management helps establishing sound organizational structure.
- Management helps establishing sound organizational culture.
- Management helps keeping in touch with the changing environment.
- Management helps sustainable development.

Including but not limited to



SUMMARY

- **MANAGEMENT:** Art, Science, Process, Discipline, System, Profession, Activity, Group etc.
- **MANAGER:** A person who manages resources and work to generate expected results.
- **AN ORGANIZATION:** A social entity that works towards a common goal.
- **MANAGEMENT PRINCIPLES:** fundamental truth based on logic.

Q & A