

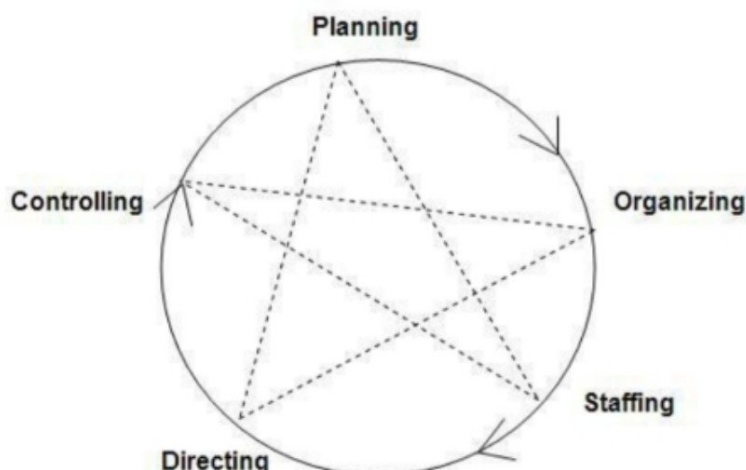
Characteristics of Management:

Management is an activity concerned with guiding human and physical resources such that organizational goals can be achieved. Nature of management can be highlighted as: -

1. **Management is Goal-Oriented:** The success of any management activity is assessed by its achievement of the predetermined goals or objective. Management is a purposeful activity. It is a tool which helps use of human & physical resources to fulfill the predetermined goals. For example, the goal of an enterprise is maximum consumer satisfaction by producing quality goods and at reasonable prices. This can be achieved by employing efficient persons and making better use of scarce resources.
2. **Management integrates Human, Physical and Financial Resources:** In an organization, human beings work with non-human resources like machines. Materials, financial assets, buildings etc. Management integrates human efforts to those resources. It brings harmony among the human, physical and financial resources.
3. **Management is Continuous:** Management is an ongoing process. It involves continuous handling of problems and issues. It is concerned with identifying the problem and taking appropriate steps to solve it. E.g. the target of a company is maximum production. For achieving this target various policies have to be framed but this is not the end. Marketing and Advertising is also to be done. For this policies have to be again framed. Hence this is an ongoing process.
4. **Management is all Pervasive:** Management is required in all types of organizations whether it is political, social, cultural or business because it helps and directs various efforts towards a definite purpose. Thus clubs, hospitals, political parties, colleges, hospitals, business firms all require management. When ever more than one person is engaged in working for a common goal, management is necessary. Whether it is a small business firm which may be engaged in trading or a large firm like Tata Iron & Steel, management is required everywhere irrespective of size or type of activity.
5. **Management is a Group Activity:** Management is very much less concerned with individual's efforts. It is more concerned with groups. It involves the use of group effort to achieve predetermined goal of management of ABC & Co. is good refers to a group of persons managing the enterprise.

FUNCTIONS OF MANAGEMENT

According to Henry Fayol, "To manage is to forecast and plan, to organize, to command, & to control". Whereas Luther Gullick has given a keyword "POSDCORB" where P stands for Planning, O for Organizing, S for Staffing, D for Directing, Co for Co-ordination, R for reporting & B for Budgeting. But the most widely accepted are functions of management given by KOONTZ and O'DONNEL i.e. Planning, Organizing, Staffing, Directing and Controlling.



1. Planning

It is the basic function of management. It deals with chalking out a future course of action & deciding in advance the most appropriate course of actions for achievement of pre-determined goals. According to KOONTZ, "Planning is deciding in advance - what to do, when to do & how to do. It bridges the gap from where we are & where we want to be". A plan is a future course of actions. It is an exercise in problem solving & decision making. Planning is determination of courses of action to achieve desired goals. Thus, planning is a systematic thinking about ways & means for accomplishment of pre-determined goals. Planning is necessary to ensure proper utilization of human & non-human resources. It is all pervasive, it is an intellectual activity and it also helps in avoiding confusion, uncertainties, risks, wastages etc.

2. Organizing

It is the process of bringing together physical, financial and human resources and developing productive relationship amongst them for achievement of organizational goals. According to Henry Fayol, "To organize a business is to provide it with everything useful or its functioning i.e. raw material, tools, capital and personnel"s". To organize a business involves determining & providing human and non-human resources to the organizational structure. Organizing as a process involves:

- Identification of activities.
- Classification of grouping of activities.
- Assignment of duties.
- Delegation of authority and creation of responsibility.
- Coordinating authority and responsibility relationships.

3. Staffing

It is the function of manning the organization structure and keeping it manned. Staffing has assumed greater importance in the recent years due to advancement of technology, increase in size of business, complexity of human behavior etc. The main purpose of staffing is to put right man on right job i.e. square pegs in square holes and round pegs in round holes. According to Kootz & O'Donell, "Managerial function of staffing involves manning the organization structure through proper and effective selection, appraisal & development of personnel to fill the roles designed in the structure". Staffing involves:

- Manpower Planning (estimating man power in terms of searching, choose the person and giving the right place).
- Recruitment, Selection & Placement.
- Training & Development.
- Remuneration.
- Performance Appraisal.
- Promotions & Transfer.

4. Directing

It is that part of managerial function which actuates the organizational methods to work efficiently for achievement of organizational purposes. It is considered life-spark of the enterprise which sets it in motion the action of people because planning, organizing and staffing are the mere preparations for doing the work. Direction is that inert-personnel aspect of management which deals directly with influencing, guiding, supervising, motivating sub-ordinate for the achievement of organizational goals. Direction has following elements:

- Supervision
- Motivation
- Leadership
- Communication

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- ❑ Communication

Supervision- implies overseeing the work of subordinates by their superiors. It is the act of watching & directing work & workers.

Motivation- means inspiring, stimulating or encouraging the sub-ordinates with zeal to work. Positive, negative, monetary, non-monetary incentives may be used for this purpose.

Leadership- may be defined as a process by which manager guides and influences the work of subordinates in desired direction.

Communications- is the process of passing information, experience, opinion etc from one person to another. It is a bridge of understanding.

5. Controlling

It implies measurement of accomplishment against the standards and correction of deviation if any to ensure achievement of organizational goals. The purpose of controlling is to ensure that everything occurs in conformity with the standards. An efficient system of control helps to predict deviations before they actually occur. According to Theo Haimann, "Controlling is the process of checking whether or not proper progress is being made towards the objectives and goals and acting if necessary, to correct any deviation". According to Koontz & O'Donell "Controlling is the measurement & correction of performance activities of subordinates in order to make sure that the enterprise objectives and plans desired to obtain them as being accomplished". Therefore controlling has following steps:

- a) Establishment of standard performance.
- b) Measurement of actual performance.
- c) Comparison of actual performance with the standards and finding out deviation if any.
- d) Corrective action.

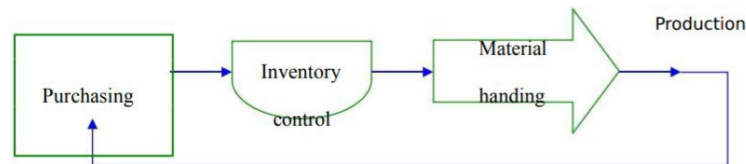
MATERIALS MANAGEMENT

Definition of Materials: Materials refer to inputs into the production process, most of which are embodied in the finished goods being manufactured. It may be raw materials, work-in-progress, finished goods, spare parts and components, operating supplies such as lubricating oil, cleaning materials, and others, required for maintenance and repairs.

Definition on Material Management: Material management deals with controlling and regulating the flow of materials in relation to changes in variables like demand, prices, availability, quality, delivery schedules etc.

Objects of materials management:

1. Minimization of materials cost s
2. To reduce inventory for use in production process and to develop high inventory turnover ratios.
3. To procure materials of desired quality when required, at lowest possible overall cost of the country.
4. To reduce paper work procedure in order to minimize delays in procuring materials.
5. To note changes in market conditions and other factors affecting the concern.



6. The purchase, receive, transport, store materials efficiently
7. To reduce cost, through simplification, standardization, value analysis etc.
8. To conduct studies in new areas e.g., equality consumption and cost of materials so as to minimize cost of product

Function of Materials Management:

1. Materials planning and programming
2. Purchasing materials inspection of materials
3. Inspection of Materials
4. Classification, codification and standardization in stores
5. Storage of materials
6. Issuing of materials
7. Maintenance of proper inventory records
8. Materials receiving

Inventory: It defined as a comprehensive list of movable items which are required for manufacturing the products and to maintain the plant facilities in working conditions.

Inventory Control: The systematic location, storage and recording of goods in such a way the desired degree of service can be made to the operating shops at minimum ultimate cost.

Objectives of Inventory Control:

1. To support the production departments with materials of the right quality in the right quantity, at the right time and the right price, and from the right supplier
2. To minimize investments in the materials by ensuring economies of storage and ordering costs
3. To avoid accumulation of work-in-process

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2. To minimize investments in the materials by ensuring economies of storage and ordering costs
3. To avoid accumulation of work in process
4. To ensure economy of costs by processing economic order quantities
5. To maintain adequate inventories at the required sales outlets to meet the market needs promptly, thus avoiding both excessive stocks or shortages at any given time
6. To contribute directly to the overall profitability of the enterprise

Functions of inventory control:

To develop policies, plans and standards essential to achieve the objectives

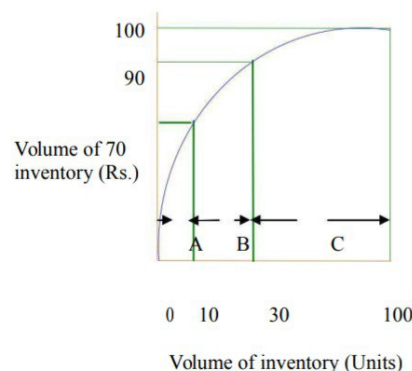
To build up a logical and workable plan of organization for doing the job satisfactory

To develop procedure and methods that will produce the desired results economically

To provide the necessary physical facilities

To maintain overall control by checking results and taking corrective actions.

ABC Analysis: ABC analysis is a technique of controlling inventories based on their value and quantities. It is more remembered as an analysis for „Always Better Control“ of inventory. Here all items of the inventory are listed in the order of descending values, showing quantity held and their corresponding value. Then, the inventory is divided into three categories A, B and C based on their respective values.



A – Refers to high value item

B – Refers to medium value item
C – Refers to low value item

A category comprises of inventory, which is very costly and valuable. Normally 70% of the funds are tied up in such costly stocks, which would be around 10% of the total volume of stocks. Because the stocks in this category are very costly, these require strict monitoring on a day-to-day basis.

B category comprises of inventory, which is less costly. Twenty percent of the funds are tied up in such stocks and these accounts for over 20% of the volume of stocks. These items require monitoring on a weekly or fortnightly basis.

C category consists of such stocks, which are of least cost. Volume-wise, they form 70% of the total stocks but value-wise, they do not cost more than 10% of the investment in the stocks. This category of stocks can be monitored on a monthly or bi-monthly basis.

The following table summarizes the concept of ABC analysis;

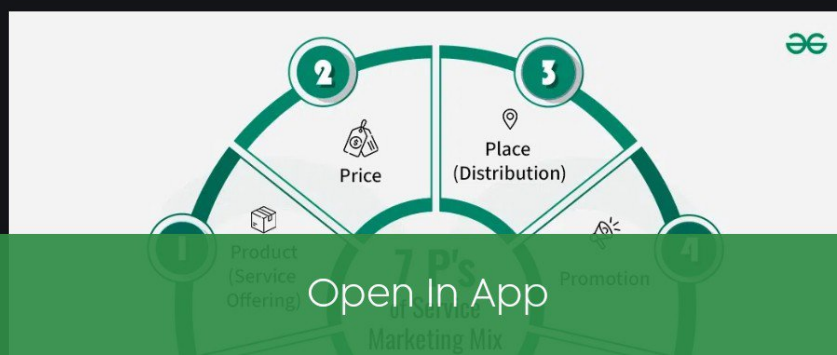
Category	Value (%)	Volume (%)	Desired Degree of Control
A	70	10	STRICT
B	20	20	MODERATE
C	10	70	LOW



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What is the Service Marketing Mix?

Service Marketing is a type of marketing that focuses on promoting and selling services instead of physical goods. It uses specific strategies to increase demand, highlight the benefits, and provide excellent customer service experiences. This kind of marketing puts a strong emphasis on understanding customer needs, providing customized services, ensuring customer satisfaction, and keeping customers engaged to build loyalty and encourage repeat business. The main goal is to make customers feel valued and give them a positive and unforgettable experience that sets the business apart from its competitors.





Key Takeaways:

- The service [marketing mix](#) offers a comprehensive framework for businesses to consider all aspects of [marketing](#) their services.
- Services are inherently customer-centric, involving direct interactions between service providers and customers.
- Effectively utilizing the service marketing mix allows businesses



to differentiate their offerings
and create a competitive

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7 P's of Service Marketing Mix

The 7 P's of service marketing mix is an extension of the traditional 4 P's (Product, Price, Place, and Promotion) specifically tailored for service marketing. These additional three P's focus on the unique aspects of services, which are intangible, perishable, variable, and inseparable from their providers. Each of them is explained below,

1. Product (Service Offering)

Product includes the core service or offering that the business provides to its customers. It encompasses both tangible and intangible aspects of the service, such as features, benefits, quality, branding, and customization options.

Example: A software company offering a cloud-based project management tool. Features include task management, file sharing, team collaboration, and customizable project dashboards.

2. Price



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Price refers to the amount customers are

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2. Price

Price refers to the amount customers are charged for the service. Pricing strategies in services marketing may involve considerations, such as value-based pricing, dynamic pricing, bundling, or subscription models.

Example: A streaming service offering different subscription tiers, such as basic, standard, and premium, with corresponding prices based on the level of access, streaming quality, and number of simultaneous streams allowed.

3. Place (Distribution)

In services marketing, place refers to the channels through which the service is delivered to customers. This includes physical locations, online platforms, distribution partners, and any other touchpoints where customers interact with the service.

Example: A food delivery service using a mobile app and website to connect



customers with local restaurants.

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Customers can place orders online and the

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Example: A food delivery service using a mobile app and website to connect customers with local restaurants.

Customers can place orders online, and the service coordinates delivery through its network of drivers

4. Promotion

Promotion involves all the activities used to communicate the value of the service to the target audience and persuade them to purchase or use it. Promotion strategies in services marketing may include advertising, public relations, personal selling, sales promotions, and digital marketing tactics.

Example: A hotel chain running a targeted digital advertising campaign promoting special vacation packages for families during the holiday season. The campaign includes display ads, social media posts, and email newsletters.

5. People

When we talk about “People” in service marketing, we’re highlighting how

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5. People

When we talk about “People” in service marketing, we’re highlighting how important the workers are in providing the service. This includes everyone from the folks you see up front helping you, like waiters or cashiers, to the managers making sure things run smoothly behind the scenes, and even the support staff helping out in different ways. Basically, how you feel about the service often depends on how friendly, skilled, and helpful these people are.

Example: A luxury spa resort prides itself on hiring highly trained and friendly staff. The spa therapists, concierge, and other employees are attentive to guests’ needs, providing personalized recommendations and ensuring a relaxing experience.

6. Process

Refers to the procedures, systems, and workflows involved in delivering the service. A well-defined and efficient service process



is crucial for ensuring consistency, quality, and customer satisfaction. Process design

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6. Process

Refers to the procedures, systems, and workflows involved in delivering the service. A well-defined and efficient service process is crucial for ensuring consistency, quality, and customer satisfaction. Process design may involve aspects such as service blueprinting, automation, standardization, and continuous improvement efforts.

Example: An online retailer has a streamlined [order fulfillment process](#).

Customers can easily browse products, add items to their cart, and complete the checkout process within a few clicks. The retailer offers multiple payment options and provides order tracking updates to keep customers informed.

7. Physical Evidence

“Physical Evidence” means the stuff you can see, touch, or notice when you’re using a service. It’s like the things around you that give you an idea of what the service is like. For example, when you walk into a



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Example: A car rental company maintains a fleet of modern vehicles, all cleaned and well-maintained. The rental locations are equipped with clear signage, comfortable waiting areas, and professional staff uniforms, creating a positive impression for customers.

The skill of standing out online is needed more than ever in today’s digital world.

Whether to become a young marketer or grow one’s brand, it is most important to

