

# Management

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Lecture 6A

# Information Asymmetries

- When info on how others are performing or what they will present is not known
- Still some teams would have pushed to achieve symmetries by talking to other teams, thereby
  - introducing standardization
  - Killing creativity and original thinking
- Prisoner's Dilemma

# Management – What?

- Management – Process of getting work done through people.
- To manage you must have (a) knowledge about work; (b) knowledge about people
- Functions of Management
  - Planning (PEST)
  - Organizing (Departmentation, Authority-Responsibility)
  - Leading (Leadership Approach, Motivation)
  - Controlling (Measurement, Deviation Management)

# Management – How?

- Managers require
    - Conceptual Skills
    - Technical Skills
    - Human Resource Skills
- Skill intensity varies as per hierarchy

Objectives: Ends towards which an enterprise activity is aimed.

# Management – Functions/Levels

Management – process of **designing** and **maintaining** an **environment** in which individuals, working together in **groups**, efficiently accomplish selected **aims** (Wehrich, Cannice and Koontz).

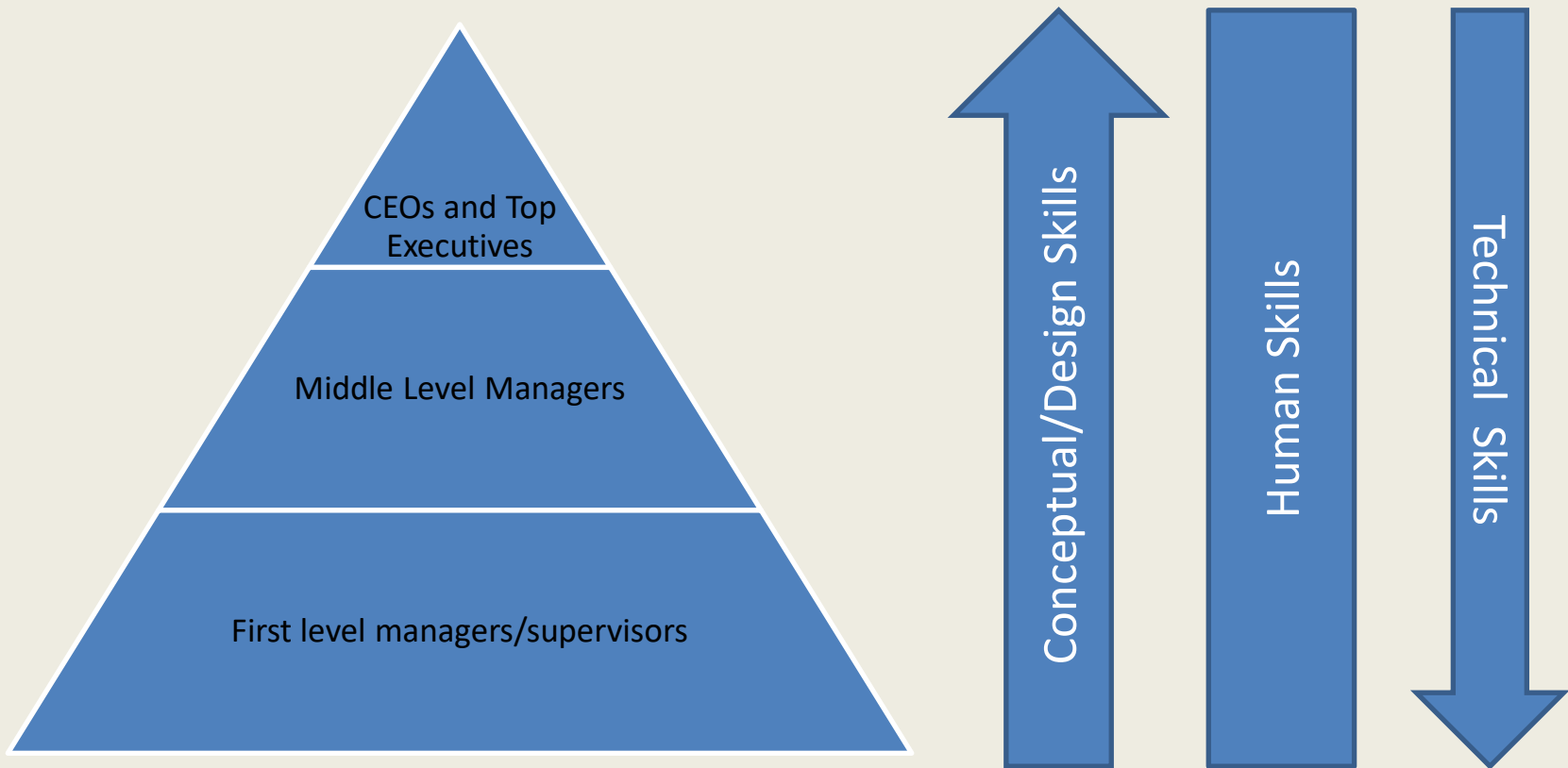
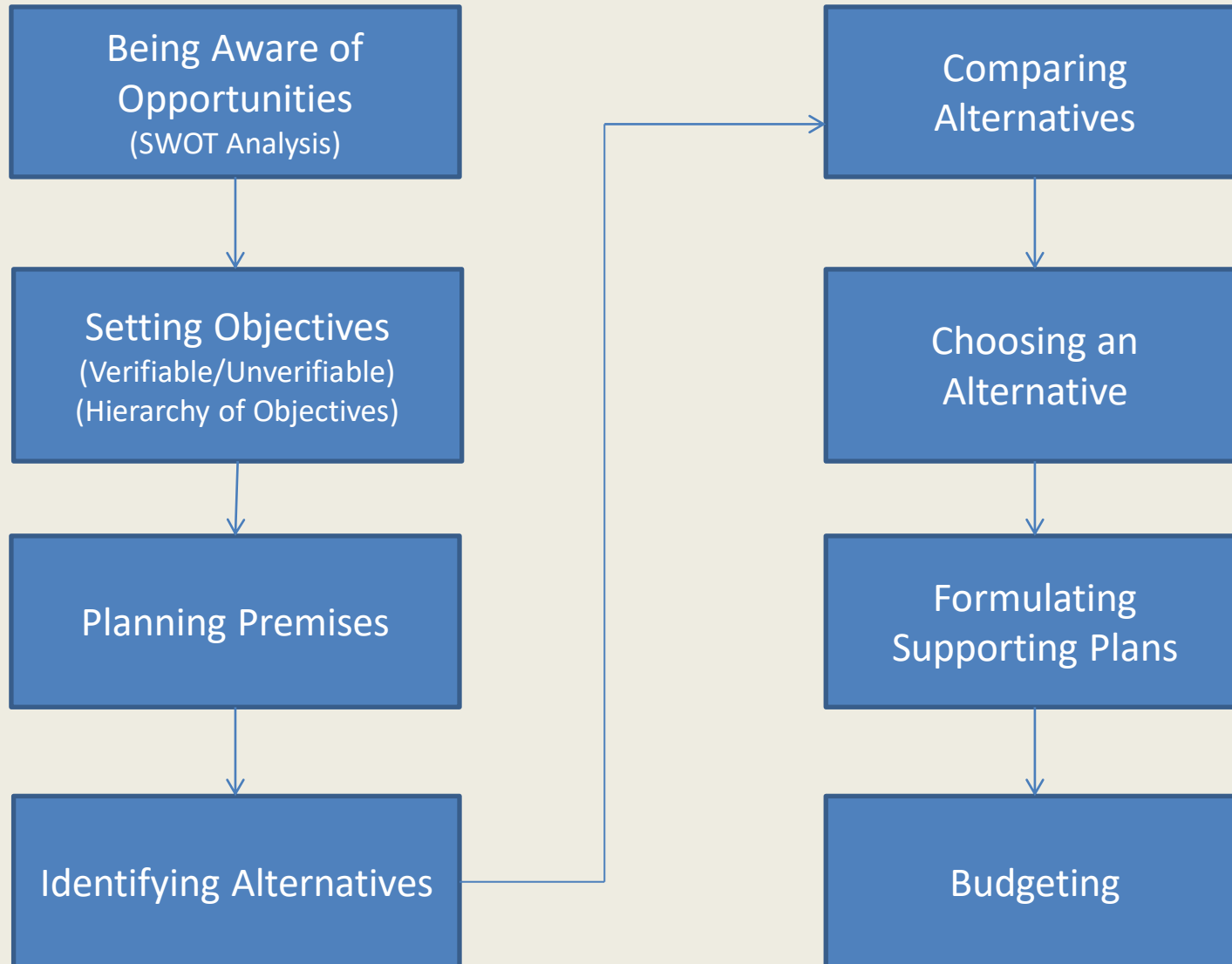
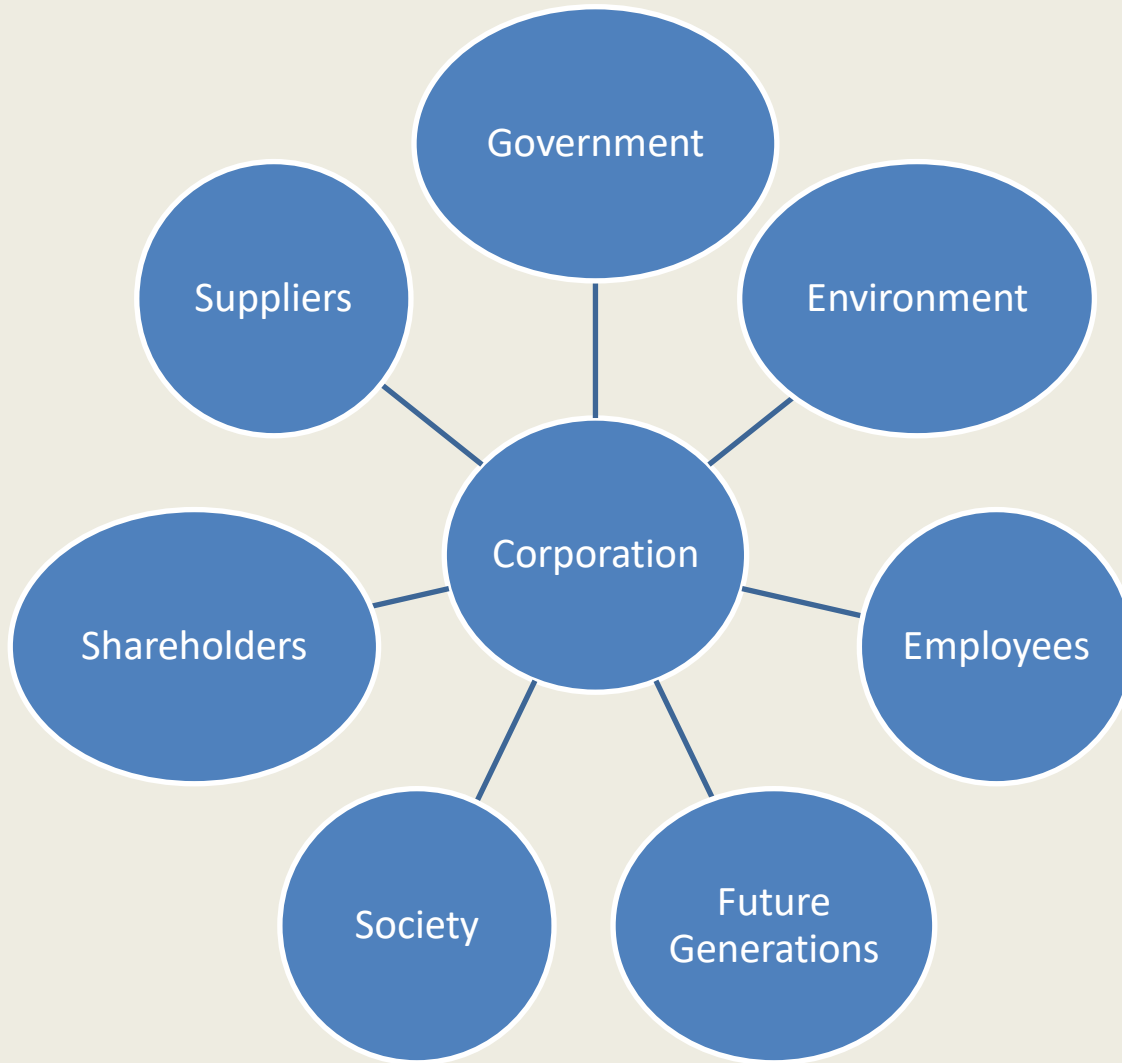


Fig: Organizational Hierarchy/Levels of Management

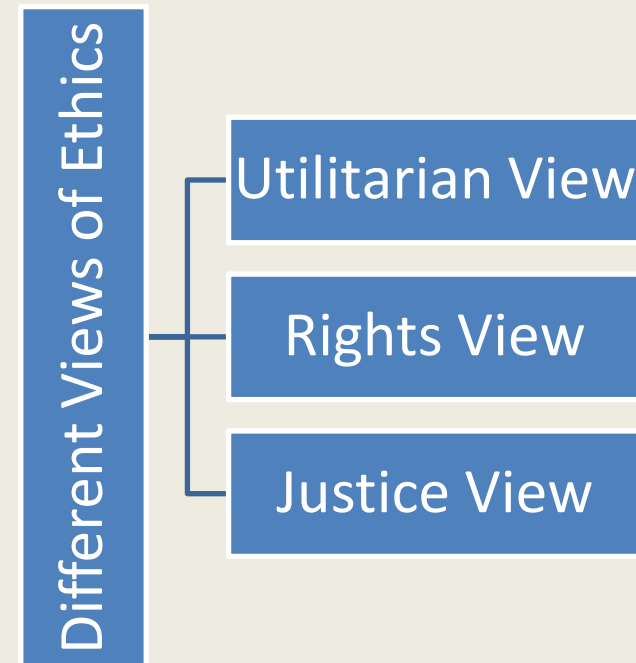
# Steps in Planning



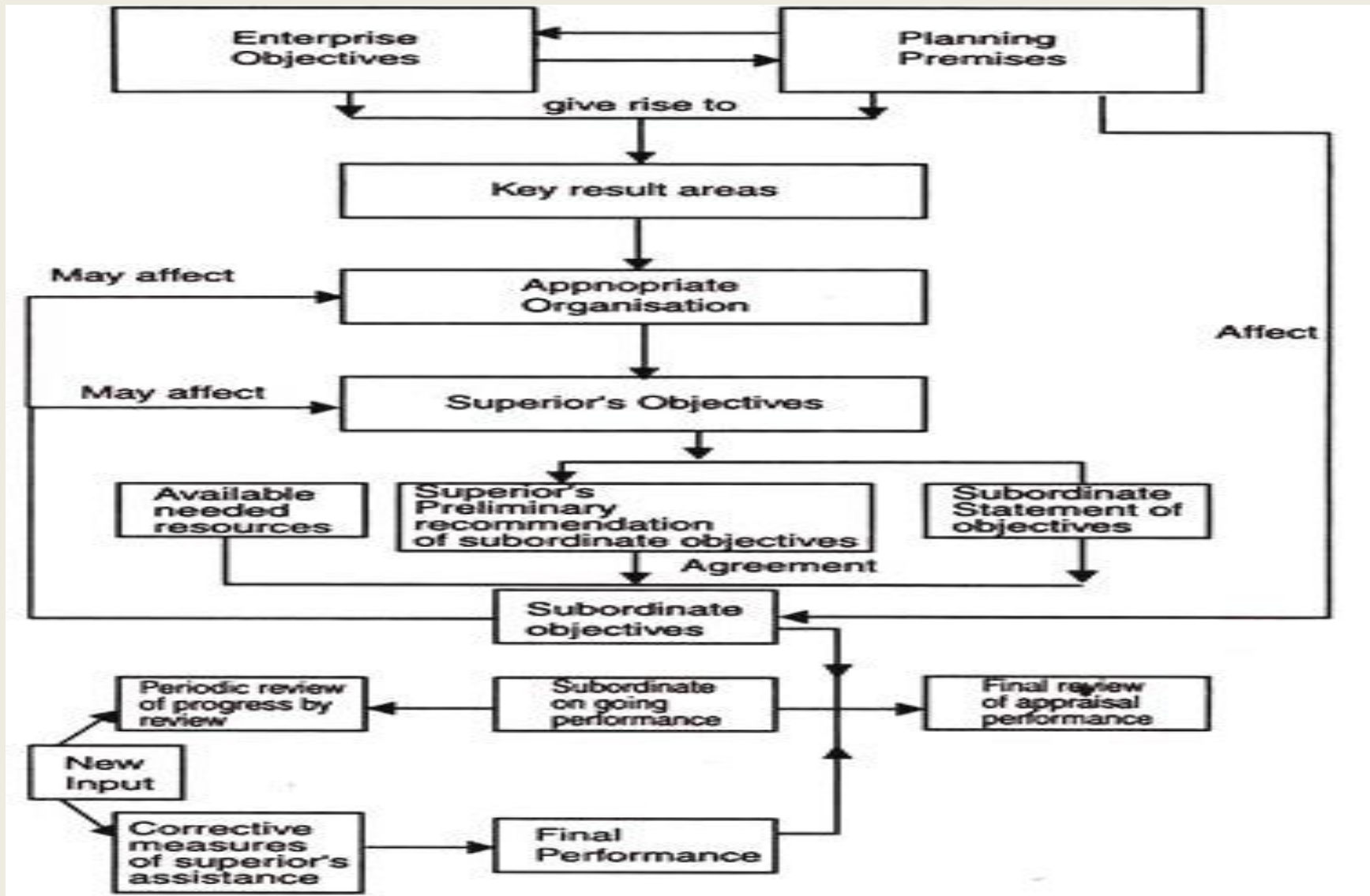
# Social Responsibility and Ethics



Stakeholders of a corporation



# Management By Objectives





# MBO- Pros and Cons

## Advantages of MBO

- Helps manage better
- Offers clarity in organization
- Helps elicit commitment
- Helps develop effective controls

## Weaknesses of MBO

- Organizational philosophy might not flow seamlessly
- Goals are usually myopic
- Inflexible goal setting
- Goal setters do not have pointed guidelines for goal setting