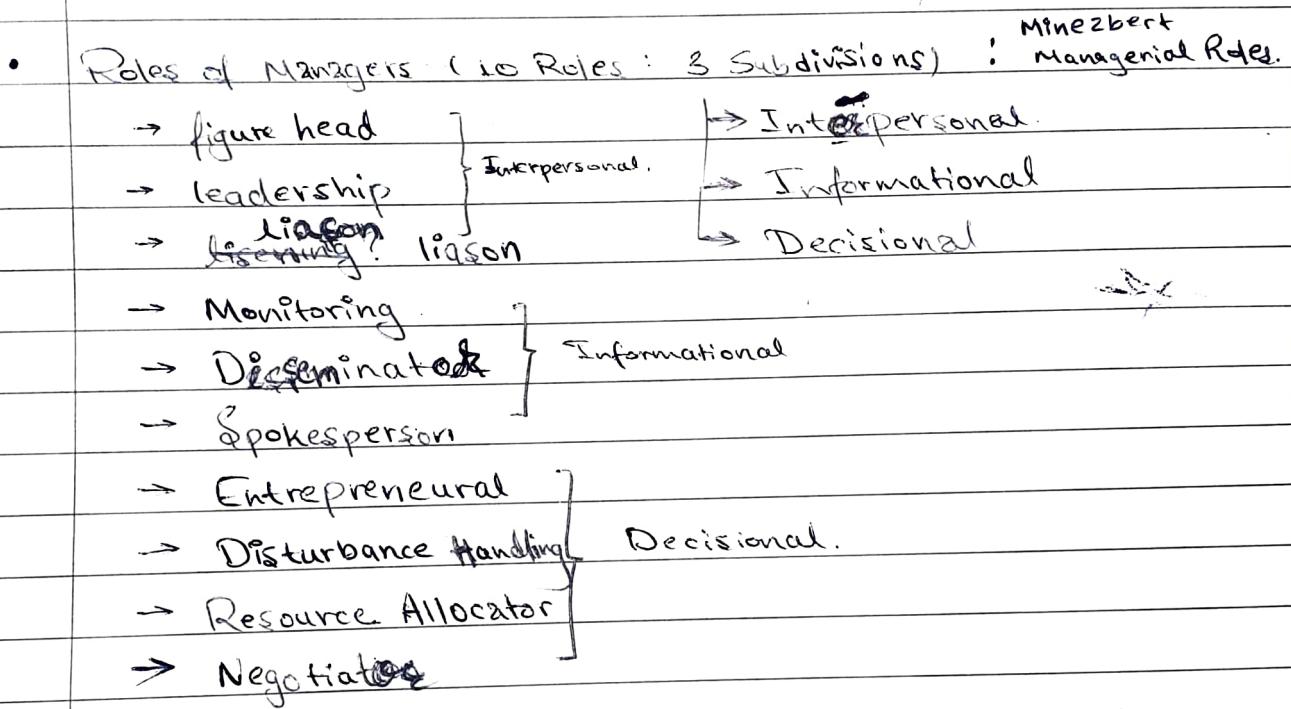


MS 401 → Business Management

03/08/2022

- Art and Science of getting things done through other people.
- 6 M's: Men, Money, Materials, Machines, Methods, Market
- Utilising available Resources in the best way/method possible.
- Planning, Organising, ...

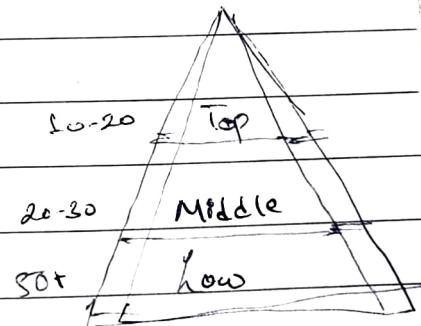


• Levels of Management:

Low: Operative / Supervisor / First-level

Middle: Executive

Top : Administrative



• Managerial Skills:

→ Father of Modern Management :

→ Technical Skills : It encompasses the ability to apply specialised knowledge or expertise.

Ability to work with, understand and motivate other people both individually and in groups

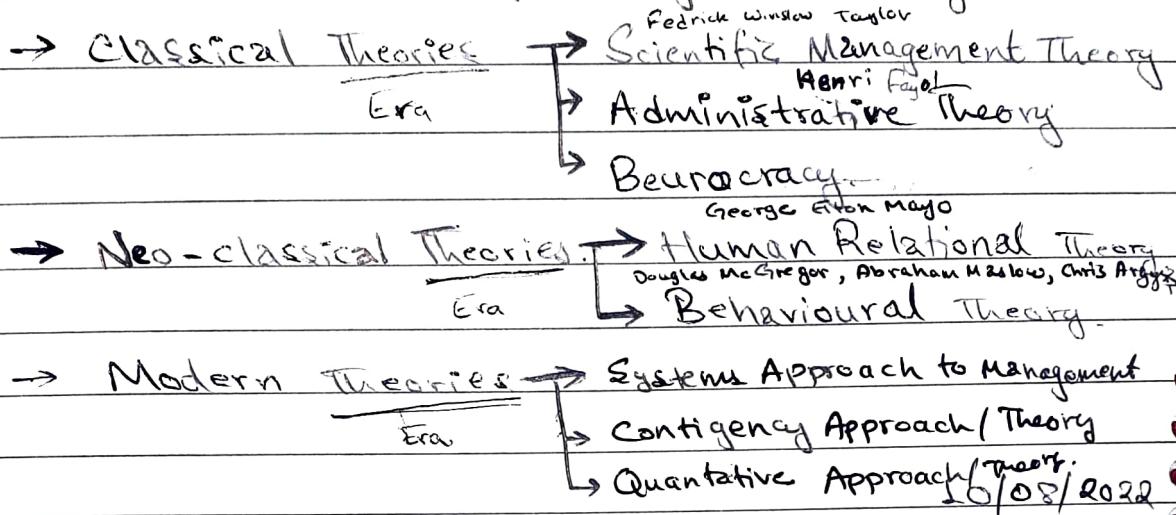
→ Human Skills : Managers must have the mentality to analyse and diagnose complex situations

mentality ! mental ability ?

1 / 1

Henri Fayol's
Administrative
Theories → DAD U C USSR O I SEE.

Evolution & Evaluation of Management Thoughts.



ORGANISATIONAL Organisational Behaviour:

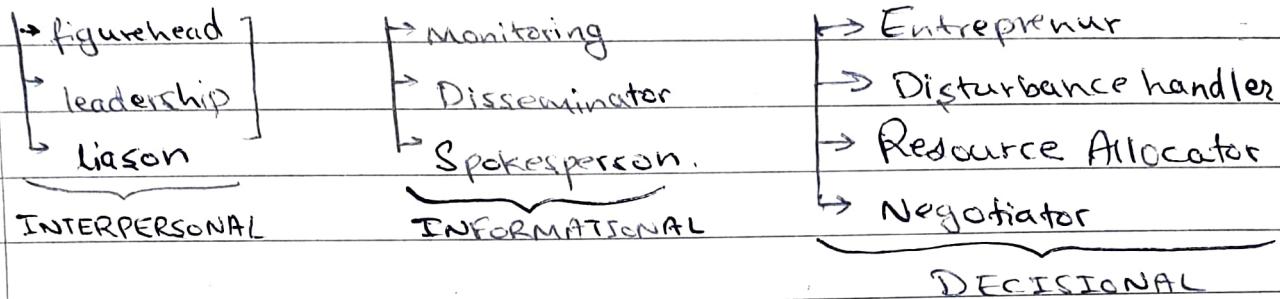
→ It is the field of study that investigates the impact that individuals, goods within organisations, for the purpose of applying such knowledge towards improving an organisation's effective? Impactive?

• **Organisation:** A consciously coordinated social unit composed of two or more people that functions on a relatively continuous basis to achieve a formal common goal or set of goals.

• **Manager:** Managers are individuals who achieve goals through other people.

• **Management functions:** There are four management functions:
→ **Planning:** Process that includes defining goals, establishing strategies, and developing plans to coordinate efficiency.
→ **Organising:** Determining what tasks are to be done, who is to do them, how the tasks are to be booked, who reports to who, and where decisions are to be made.
→ **Leading:** Motivating employees, directing others, selecting the most effective communication channels, resolving conflict.
→ **Controlling:** Monitoring activities to ensure they are being accomplished as planned and correcting any significant deviations.

* Management Roles:



* Managerial Skills : → Technical → Human → Conceptual.

* Individual Behaviour:

- : Personal characteristics such as age, gender, and length of tenure? comes under this characteristic
- Ability : An individual's capacity to perform various tasks
 - Intellectual
 - Physical

* Learning : Any relatively permanent change in behaviour that occurs as a result of experience.

Theories:

- ^{Example} Classical Conditioning : A type of conditioning in which an individual responds to some stimulus that would not ordinarily produce such a response.
- ^{B.F. Skinner} Operant Conditioning : A type of conditioning in which desired voluntary behaviour leads to a reward or conditioning.
- Social learning Theory : People can learn through observation and direct experience

— / / —

* Attitude: Evaluating statements or judgements concerning objects, people or events.

- Job Satisfaction: Collection of feelings that an individual poses towards his/her job.
- Job Involvement: Measures the degree to which the person identifies with psychologically with his/her job. A high level of Job involvement is positively related to organization citizenship and job performance
- Organisational Commitment: A state in which an employee identifies with a particular organization and its goals and wishes to maintain membership in the organisation.

Theories

- Festive or Discrepant Theory
- Cognitive Dissonance Theory: Any incompatibility between two or more attitudes and between attitude and behaviour.
- Self Perception Theory: Attitudes are used after the? to make sense out of an action that has already occurred.



POSDCORB & functions of Managers:

- Planning: Planning in advance what is to be done, who is to do it, how it is to be done, when it is to be done. — Kenneth H. Kilby
- Organising:
- Staffing:
- Direction / Directing:
- Coordination:
- Reporting:
- Budgeting:

Not in syllabus

17/08/2022

→ Evolution of Management Theories:

* ~~Functions of Manager~~ Classical Theories:

* Fedrick Winslow Taylor's Scientific Management Theories:

* 7 P's of Marketing:

29/08/2022

- Place : Goods delivered to place where consumers can buy/ access.
- Price :
- Product :
- Promotion :
- People : Employers and Consumers.
- Process : flow of activity / manufacturing.
- Physical Evidence: Machinery

* 4 A's of Marketing:

- Acceptability → Functional Acceptability
- Affordability → Psychological Acceptability
- Accessibility → Economic Affordability
- Awareness → Psychological Affordability

29/08/2022

* Levels of Products (5 levels):

- Core - Basic - Expected - Augmented - Potential

* Types of Products based on Consumer Goods (4 types)

- Convenience - Shopping - Speciality -

* Types of Products based on Industrial level (3 types)

- Material - Capital - Supplies & Business Services.

* Product Life Cycle:

→ Introduction → Growth Profit? → Maturity → Decline → Saturation /

* Setting Price of Product:

- Objective → Determining Demand

↓
Profit Maximisation Growth Maximisation

Estimating cost and Ensuring Survival / Market

→ Analysing Competitors' Pricing → Choosing Price and method.

Product ↓ Determining final Price.

* Marketing Channels:

→ Zero-level Marketing → first-level → second-level → third-level of Marketing
1 3-agent

↓ ↓ ↓
Wholesaler Retailer Consumer
Jobber

xx

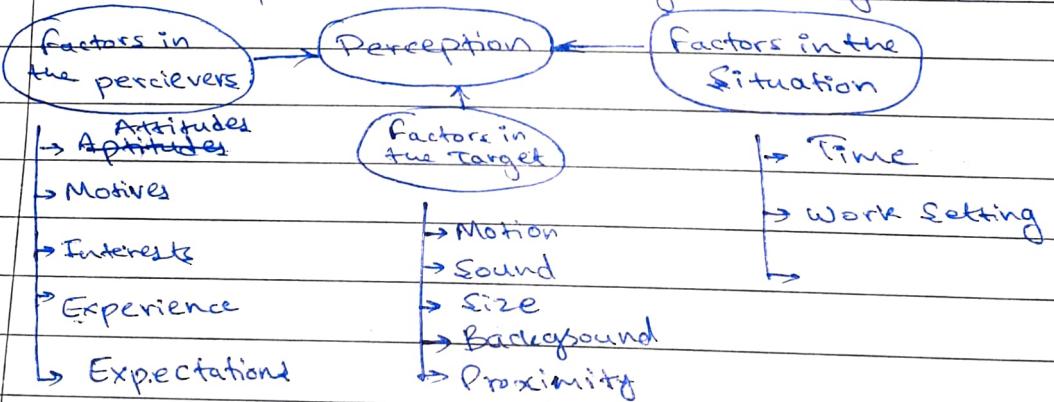
- Inform Consumer of their Product (Awareness)
- Persuasion = Persuade Consumers / Attract / Advertise / Sales.
- Remind : Door-to-Door Selling / Vouchers / Notifications
- Sales Promotion
- Personal Selling
- Online & Social Media Marketing.
- = Mobile Marketing (On wheels)

02/09/2022

*

Perception :

A process by which individuals organise and interpret their sensory impressions in order to give meaning to their environment.



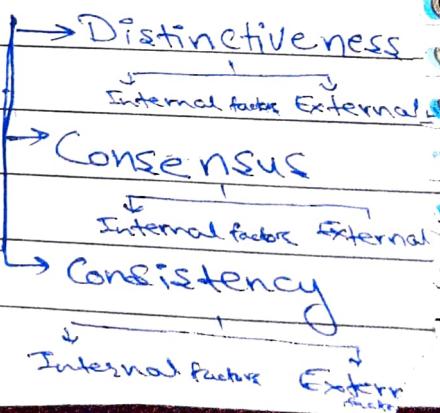
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Attribution Theory:

Observation → Individual Behaviour

Internal External factors are Attributions of cause.

Interpretation



* Frequently used Shortcuts in judging others:

- Selecting Perception : People selectively interpret what they see on the basis of their interests, ~~background~~, experience, and attitudes.
- Halo Effect : Drawing a general impression about an individual on the basis of a single characteristic.
- Contrast Effect : Evaluation of a person's characteristics are effected by other people's characteristics.
- Projection : Attributing one's own characteristics to others.
- Stereotyping : Judging someone on the basis of one's perception of the group to which the person belongs.

* (Biases) / Fundamental Attribution Error :

The tendency to underestimate the influence of external factors and overestimate the influence of internal factors when making judgements about other behaviours.

* ~~Self-Serving Bias~~ : The tendency for individuals to attribute their own success to internal factors while ~~looking~~ putting the blame of failures on external factors.

* Individual Decision Making : The rational decision making

process : - Defining the problem

- Identifying the decision criteria.

- Allocate ~~weights~~ to the criteria.

- Level of the alternatives.

- Evaluate the alternatives.

- Select the best Alternative .

* Bounded Rationality: Individually made decisions by constructing simplified models that extract the essential features from problems without capturing all their complexities.

* Common Biases and Errors in Organisations:

- Overconfidence Bias
- Confirmation Bias
- Representative Bias
- Anchoring Bias
- Availability Bias
- ~~Hindsight~~ Hindsight Bias.

07/09/2022

• Neo-classical Theories

- Human Relations: → Hawthorne Experiment
- Illumination Experiment
- Relay-Assembly Test
- Bank ...? Theory.

- Behavioural Science: → Self Control & Self Direction
- Non-monetary motivation
- Leadership style
- Participative Management.

• Modern Theories :

- Systems Approach to Management: Views organisations as unified purposeful system composed of interrelated parts.
 - Recognising the interdependencies / Relations
 - ~~Planning~~ Planning ~~Controlling~~ Controlling facilitating Decision making / Coordination.
 - Holistic ~~& you~~ Approach (Synergy)

→ Contingency :

*Adaptive
Flexible
in every situation
Based on the situation*

- No one size fits all formula
- Pragmatic Approach
- Effective Solution

→ Quantitative Theory:

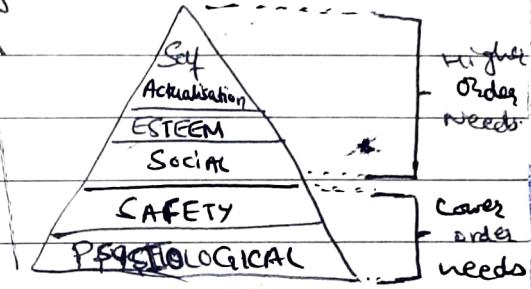
~~Value
Motivation
Incomes~~

What is Motivation?

* Hierarchy of Theory:

Negative

Positive



* Theory X and Theory Y: - Douglas McGregor.

Theory X: - This theory assumes that employees dislike work, are lazy, dislike responsibility and must be coerced to perform.

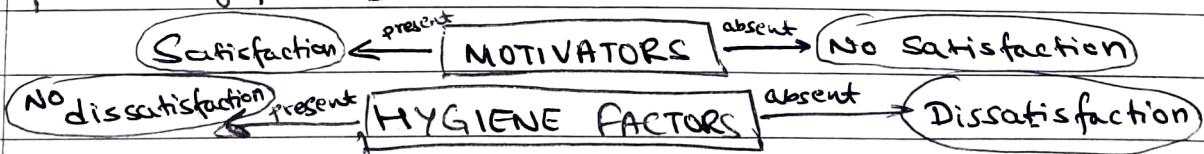
Theory Y: This theory assumes that employees like work, are creative, seek responsibility and can exercise self-direction.

* Two factor Theory: - Frederick Herzberg

"opposite of satisfaction is not dissatisfaction but no satisfaction at all."

→ HYGIENE factors: [Company Policy, Work Conditions, Relationship with peers, Good Administration, Salary, Job Security, Etc.]

→ Motivating factors: [Recognition, Achievement, Growth, Advancement, Etc.]



* McClelland's Theory of Needs: - David McClelland

- Need for Achievement - Need for Power - Need for Affiliation
 (drive to excel) (desire for power and growth) (desire friendly and close interpersonal work relationships)

* Cognitive Evaluation Theory: Allocating Expensive rewards for behaviour that have been previously intrinsically rewarding tends to decrease the overall level of motivation



Goal Setting Theory

This theory states that 'specific and difficult goals which' lead to higher performance



Reinforcement Theory

This theory says that behaviour is a function of its consequences.



Equity Theory

Individuals compare their job inputs and outcomes with those of others and then respond to eliminate any inequities.

→ Self Insight? Inside? :

• Experiences in a different position inside his/her current org.

→ Self Outright? Outside? :

Experiences in a situation/position outside his/her current org.

→ Other insight:

Another individual/group of individuals inside the employee's organization

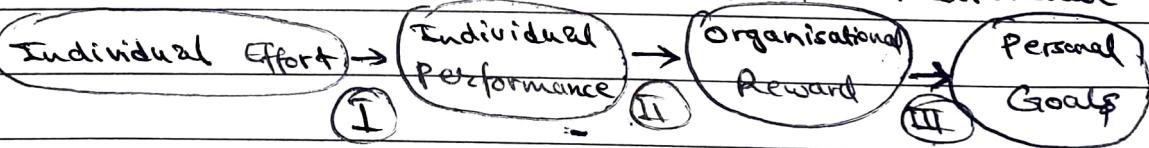
→ Other Outright:

Another individual/group of individuals outside the employee's organization



Expectancy Theory

This theory argues that the strength of a tendency to act in a certain way depends on the strength of the expectation that the act will be followed by a given outcome and on the attractiveness of the outcome to the individual.



I: Effort Performance Relationship: Probability perceived by the individual that exerting a certain amount of effort will lead to performance

II: Performance Reward Relationship: Degree to which an individual believes that performing at a particular level will lead to the attainment of a desired outcome

III: Rewards Personal Goals Relationship: Degree to which organisational rewards satisfy an individual's personal goals or needs.

Customer Value and	Customer Satisfaction:
quality of product for price paid	psychological term: product quality expected and the quality of product received.
quantitative term	qualitative term
pro-active process	reactive process
point-of-view of customer	psychological perspective
Compare price of product to the benefits offered.	

- 1 Basic Quality Benefit
- 2 Services Benefit
- 3 Personal Benefit
- 4 Image Benefit

POSTCORB



Characteristics / Nature of Planning:

- intellectual process → Goal-oriented → Continuous Process
- future-oriented → All Pervasive (widespread)

• Types of Planning:

- Strategic (by top level managers)
- Operational (by low level managers)
- Tactical (by mid-level managers)
- Contingency (flexible, even best plans can fail)

• How do you plan?

- Analyse Situation → Identification of Opportunities → Establish objectives

• Planning Premises

Internal External

- Internal and External Premises
Constant and Variable Premises
- Tangible and Intangible Premises
- Controllable and Uncontrollable Premises

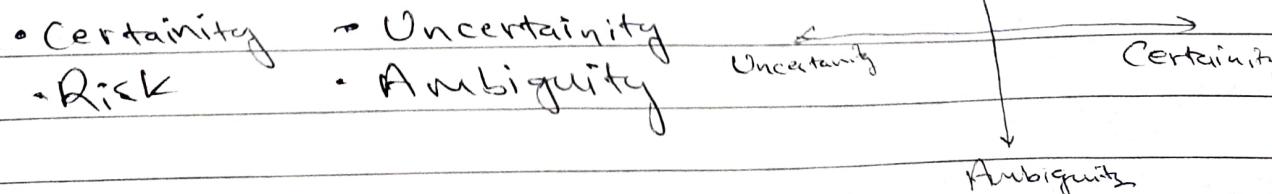
- Identification of Alternatives → Evaluation of Alternatives

• Formulation of Derivative Plans:

- Implementation
- Follow Up

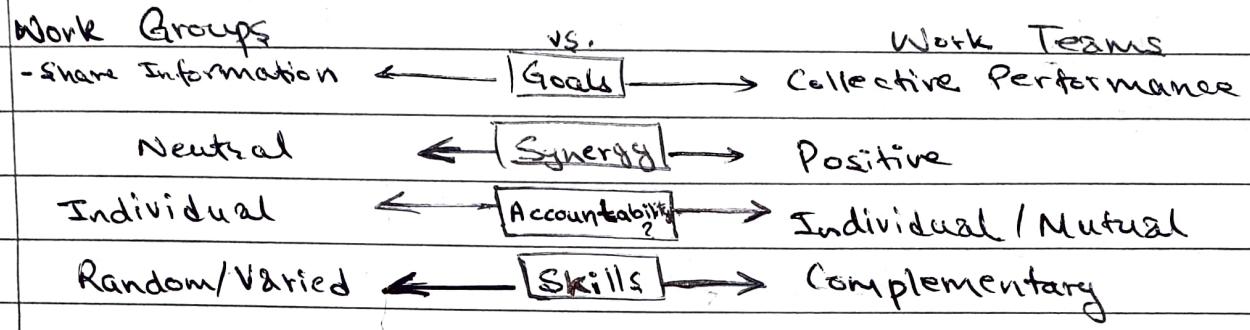
Risk

Decision?



WORK TEAMS: Group that interacts primarily to share information and to make decisions to help each group member perform within his/her area.

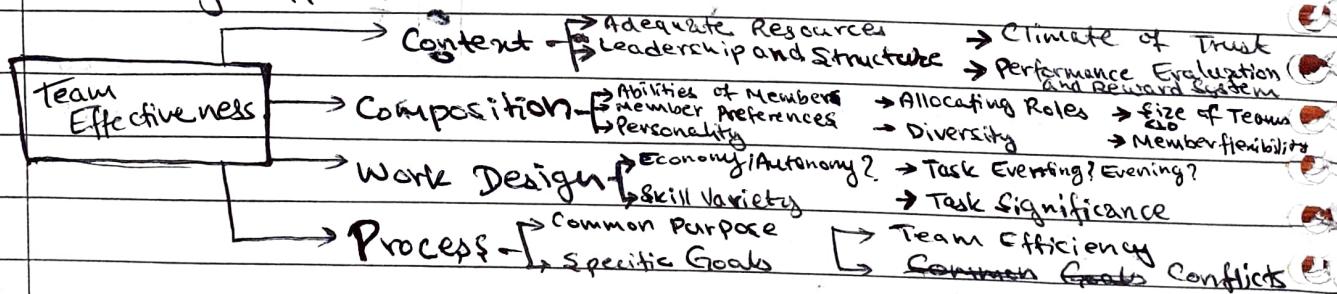
Team: A group whose individual efforts result in a performance that is greater than the sum of the individual inputs.



- **Types of Teams:**

- **Problem-Solving Team**: Group of 5-12 employees from the same department who meet for a few hours each week to discuss ways of including quality, efficiency, and work environment.
- **Self-Managed Teams**: Group of 10-25 employees who take on responsibility of their former supervisors.
- **Cross-functional Team**: Employees from about the same hierarchical level but from different work areas come together to accomplish a task.
- **Virtual Team**: Teams that use computer technology to type whether physically dispersed members in order to achieve a common goal.

- **Creating effective teams:**



- **Shaping Team Players:**

- Selection
- Training
- Rewards

* Organising:

- Decision making is process of identifying problems and solving them. Decision is response to trend.

→ Types of Decisions:

- Programmed and Non-programmed.
- Operational and Strategic
- Organisational and Personnel
- Individual and Grouped.

Decision Making:

- Certainty
- Uncertainty
- Risk
- Ambiguity



Rocket was not made in one day?

Steps of Decision Making:

- Recognising Decisional Environment? Requirements?
- Analysis and Diagnosis of ... ?
- Development of Alternatives.
- Selection of Best / desired Alternatives
- Implementation of Chosen Alternative
- Evaluation and Feedback.

17/10/2022.

* Marketing Information System (MIS):

• Components

1. Internal Records
2. Marketing Research
3. Marketing Intelligence
4. Marketing decision Support System (MDSS)

• Benefits

1. Simplified Research Process
2. Improved decision-making
3. Easy accessibility
4. Ability to compare sources
5. Consistent data results
6. Better plans and evaluations
7. Quick Reports in a changing market.

* Marketing Environment:

Composition: Micro Env. and Macro Env.

• Micro Environment

1. Suppliers
2. Intermediaries.
3. Customers.
4. Competitors.

5. Public.

• Macro Environment

1. Demography
2. Economic Env.
3. Physical Env.
4. Technological factors.

5. Social and Cultural factors.

* Marketing Scanning:

- Purpose:

1. Environment awareness
2. Information for decision-making
3. Facilities policy-making.
4. Planning related to technology.

5. Business survival through forecasting

*I have the responsibility
but not the authority.*
Keyword: (Authority, Responsibility)

26/10/2022

* Organising:

Organisation is the system of consciously coordinated activities or forces of two or more persons.

organisation involves the grouping of activities ~~to appropriate departments and to~~ necessary to accomplish goals and plans, the assignment of these activities to appropriate departments and the provision of authority, delegation and co-ordination.

• Nature of Organising

- Common Objective
- Division of labour
- Authority Structure
- Group of People
- Communication
- Co-ordination
- Environment
- Rules and Regulation

• Purpose of Organisation:

- To facilitate organisation →
- Increase efficiency of management →
- To facilitate growth and diversification →
- Optimistic use of resources →
- Permit optimum use of technological innovations →
- Stimulate creativity and initiative →
- Facilitate development of managerial ability →

• Organisational Structure

Importation of O.S.

• Types of O.S.

→ tall → virtual
→ flat → boundary

• Formal and Informal Organisation

- Levels of Authority.
- Organisational Culture.

Buyer Behaviour and Consumer Behaviour

Not necessarily all buyers are consumers, ~~and~~ but if a buyer consumes the product, she will be called a consumer.

Bigbazaar

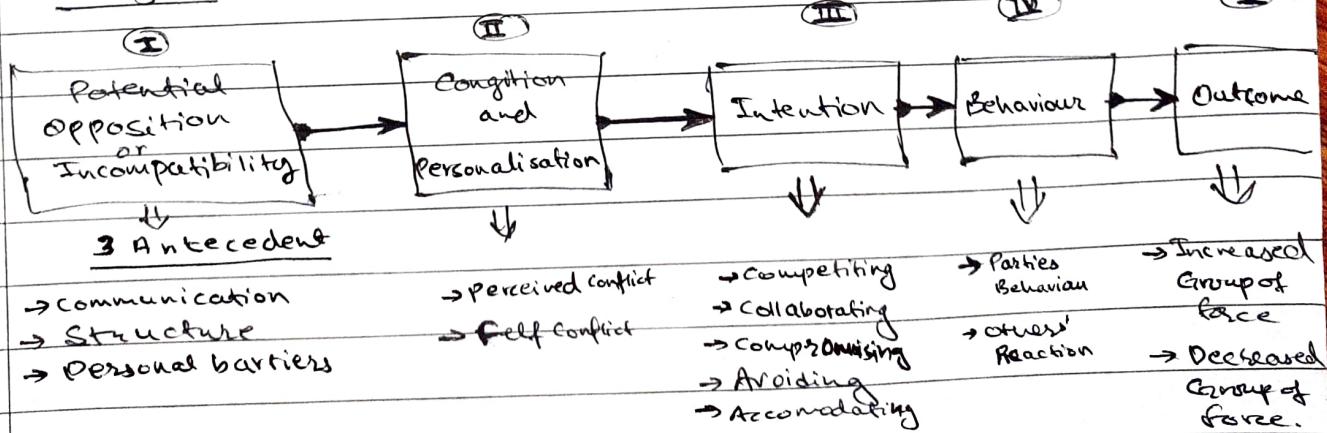
11/11/2022
(Mrigakshi)

CONFLICT AND NEGOTIATION

- Belief that all conflicts are harmful and must be avoided.
- Human Relation Guilt? of Conflict: Belief that conflict is natural and ~~is~~ inevitable outcome of anything.
- Interactionist view of conflict: Belief that conflict is not only a positive force in a group but it is absolutely necessary for a group to perform effectively.
- Types of Conflict:
 1. Functional Conflict: conflict that supports the goals of the group and improves its performance.
 2. Dysfunctional Conflict: conflict that hinders group performance
 3. Task Conflict: conflicts over contents and goals of the work.
 4. Relationship Conflict: conflict based on interpersonal relationships.
 5. Process Conflict: conflict over how work gets done.

The Conflict Process:

Stages:-



* Negotiation :

A process in which two or more parties exchange goods or services and attempt to agree on the exchange rate for them.

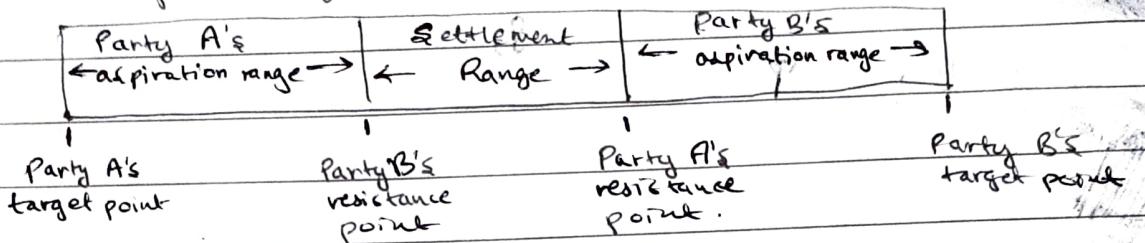
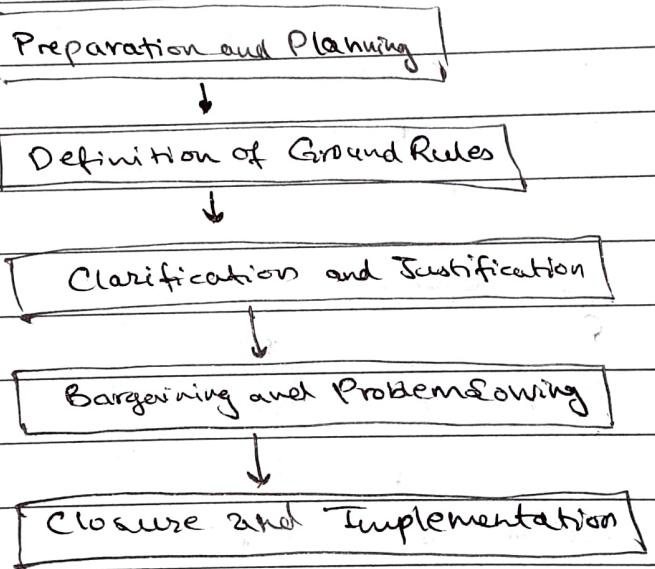


Fig.: Staking out the Bargaining Zone.

Nicely Explained

Negotiation Process :



16/11/2022

Spir

o	x	x
x	o	o
x	o	x

Delegation

o Putting C C

* Delegation: Passing on the power to others, on behalf of a group or a company.

delegation authority.

- Can responsibility, accountability be fully delegated?
 - ~ partially.
 - ~ fully

line?

line? authority:

- clear delegation of power in line authority Structure.
- inflexible,

Advice: Power lies with the breadth!

If less people report, kuch toh jyada hogayega.
fewer people reporting → more managers required?

• Three types of Superior Relationships:

• Factors affecting paramanagement.

Nature of work also has effect on span of management.
decentralised.

delegation of power is decentralised.

DELEGATION of Power.

~~NS401~~ NS401: Business Management.

* Management: An art and 'Science' of getting things done through others. To forecast, to control, to plan and to evaluate.

* Features / Characteristics / Nature of Management:

- (7) - Multidisciplinary - Group Activity - factors of Production
- Social ~~Response~~ ^{Process} - Dynamic Function - Intangible
- Management is Profession.

* 6 M's of Management:

Men (imp), Methods, Material, Money, Machinery, Market

* Levels of Management:

- (3)
- | | | |
|----------|--|------------------------|
| A | Top level - Executives, CEO, BoD, MD | [PLANNING] |
| | Middle Level - General Managers | [COMMUNICATION] |
| | Low Level - Trainee, Intern, Operative, Supervisor | [WORKING, ACTUAL WORK] |

* Importance of Management:

- (6)
 - for effective utilisation of resources
 - development of Resources
 - To incorporate innovations
 - for better coordination among all departments.
 - Provide Security of employees
 - To complete tasks on time.

* Functions of Management:

- (4/5)
- | | |
|----------|--|
| Leading | 1. Planning & Blueprint: What, how, who, when. |
| | 2. Organising: organisational structure
Human Resource Planning |
| Staffing | 3. Staffing : HRP, Recruitment, Training & Development, Compensation Performance appraisal, Career development |
| | 4. Direction : - communication - supervision - leadership - coordination
- motivation. |
| | 5. Controlling: monitoring activities: - establishing standards
- evaluating actuals
- comparing stds and actuals
- finding deviation
- Taking measures. |



* System Approach to Management (Modern Theory)

Set of independent parts working together in inter-related way.

• Features of System:

(4)

- Combination of various subsystems
- All subsystems are interrelated
- System can be identified by its boundaries
 - ↳ 2 categories → open
 - closed
- System transforms i/p to o/p

• System approach to management

(4)

- Every organisation is a system
- Many independent and interrelated subsystems
- Manager should manage all subsystems
- o/p of whole org. > individual dept. o/p (synergy)

* Taylor's Scientific Approach to Management

Taylor's Scientific Management Theory (Classical Theory):

- Knowing exactly what you want men to do and seeing that they do in best and cheapest way.

• Principles of Management as defined by Fredrick Winslow Taylor

(4)

- Science is not Rule of Thumb
- Harmony, not discord
- Cooperation but not individualism
- Development of each and every person to his/her greater efficiency

* Henry Fayol's Principles of Management

Fayol's Administrative Theory (Classical Theory)

(4)

- Division of work
- Discipline
- Unity of direction
- Remuneration
- Scalar chain
- Stability of tenure
- Equity
- Authority & Responsibility
- Unity of command
- Subordination of individual interest to general interest
- Centralisation & Decentralisation
- Order
- Initiative
- Esprit de corps (Union is strength)

DAD U G USSR O - I SEE

Maslow's Need Hierarchy Theory of Motivation:

Maslow's Behavioural Theory (Neo-classical Theory)

- (6) - Self-Actualization
- Social Needs
- ~~Esteem and needs~~

- Esteem Needs → ^{Internal}
_{External}
- Safety Needs

- Physiological Needs: (basic - food, air, water, clothing, shelter)

• Limitations of this theory:

- not supported empirically
- not applicable in case of starving artist
- everyone will not have same needs.

Douglas McGregor's X and Y Theory:

McGregor's Behavioural Theory (Neo-Classical Theory)

- based on Maslow's Hierarchy theory

Lower order needs → Theory X (-ve)

Higher order needs → Theory Y (+ve)

Assumptions of Theory X

- does not like to work
- compelled / warned / punished
- supervision is required
- want job security
- no responsibilities
- Always directed
- Authorities and Managers are more
- Pessimistic view.

Assumptions of Theory Y

- Normal and Relaxed
- Physical and Mental Efforts
- No external warnings
- Rewarding Job → more work
- Talent should be fully used
- Optimistic view
- More valid and reasonable
- Most org. use this

Hertzberg's 2 factor Theory of Motivation:

Hertzberg's Behavioural Theory (Neo-Classical)

2-factors: hygiene and Motivational.

Hygiene factors

- Pay and allowances
- Company & administrative policies
- Fringe / Extra benefits
- Physical working conditions
- Status
- Interpersonal Relation
- Job Security

if present, no dissatisfaction
if absent, dissatisfaction.

Motivational factors

- Recognition (Psychological)
 - Sense of achievement
 - Growth and Promotional opportunity
 - Responsibilities
 - Meaningfulness of work
 - Career Advancement.
- if present, satisfaction
if absent, no satisfaction.