

PME SURESHOT TOPICS

PME UNIT - 1 Notes (PYQ Topics - Ultra Concise)

● Introduction / Importance (of Management): [PYQ]

- Significance↑.
- Economic-growth: Key.
- All-orgs: Essential.
- Dynamic: Life-giving.
- Core: Activities.

● Functions (Process of Management): [PYQ]

- Classifications: Vary.
- Fayol: P,O,Cmd,Coord,Ctrl.
- Gulick: POSDCORB.
- **Text:**

1. **Planning:** What-to-do.
2. **Organising:** Structure, Resources, Staffing.
3. **Directing:** Move-to-objectives (Comm, Lead, Motivate).
4. **Controlling:** Conform-to-plans (Standards, Measure, Correct).
 - **Dale's Additional:**
5. **Innovating:** New-ideas.
6. **Representing:** External-stakeholders.
 - Circular (Fig.1.1).

● Levels (of Management): [PYQ]

- Emphasis, Scope, Skills: Vary.
- **1. Top:** CEO, Board.
- Who: Coordinate, Policies.
- Functions: Admin>Mgrl, Strategy, Policy, Unstructured-problems, Scan, Accountable, Resources, Vision.
- Skills: Conceptual↑, Human↑, Technical↓.
- **2. Middle:** Dept-heads.
- Who: Link.
- Functions: Balance-Admin/Mgrl, Translate-plans, Dept-plan, Allocate, Coordinate, Monitor, Implement, Motivate.
- Skills: Balanced, Human-crucial.
- **3. First-line:** Supervisors.
- Who: Oversee-non-mgrl.
- Functions: Mgrl>Admin, Supervise, Assign, Discipline, Short-term-plan, Operational-resources,

Feedback, Motivate-operatives.

- Skills: Technical↑, Human↑, Conceptual↓.

● **Organizational/Business Functions (Relationship with Management Functions & Hierarchy):**

[PYQ]

- Distinct-from-levels. Core-functions-at-all-levels (Fig.1.2).

● **Management—A Science or An Art?:** [PYQ]

- **Science:** Systematic, Empirical, Cumulative. Yes.
- Behavioural (Inexact).
- **Culture-bound?:** Principles-no, Practice-yes.
- **Art:** How-to, Application. Yes.
- **Conclusion:** Both (Science=Knowledge, Art=Skill).

● **Management—A Profession?:** [PYQ]

- McFarland's-characteristics.
- Not-all-possessed. No.
- Trends: Professionalization↑.
- Drucker: Achievement>Degree.

● **Social & Ethical Responsibilities (of Management):** [PYQ]

(This is a broad topic, often broken down further in PYQs)

● **Meaning (Social Responsibility):** [PYQ]

- Nebulous.
- Berle: Public-consensus-responsiveness.
- Davis: Socio-economic, Socio-human.
- System-part, Trustee.

● **Responsibilities (of Business Towards Different Groups / Social Stakeholders):** [PYQ]

- **Consumer/Community:** Quality, Price, Innovation, Conservation, Audit, Honesty, No-monopolies, Service, Hygiene, PR, Support.
- **Employees/Workers:** Fair-wage, Just-selection, Social-security, Good-HR, Freedom, Productivity↑.
- **Shareholders/Businesses:** Governance, Fairness.
- **State:** No-politics, Obey-laws.

● **Arguments FOR Corporate Social Responsibility (CSR):** [PYQ]

1. Reputation↑.
2. Morale↑.
3. Sustainability↑.
4. Expectations-met, Trust↑.
5. Risk↓, Prevention.

6. Ethical-imperative.

● **Arguments AGAINST Corporate Social Responsibility (CSR):** [PYQ]

1. Profit-max=Goal.
2. Costs→Consumers.
3. No-expertise/Accountability.
4. Dilution-of-purpose.
5. "Greenwashing".
6. "Neofeudalism" (Levitt).

● **Business Ethics (Ethical Implications of Management Decisions on Stakeholders):** [PYQ]

- **Definition:** Moral-principles-to-business. Beyond-legal.
- **Issues:** Harassment, Discrimination, Privacy.
- **Factors:** Legislation, Codes, Pressure-groups, Values.

● **Manager: Omnipotent or Symbolic?:** [PYQ]

- **Omnipotent:** Responsible (Success/Failure).
- **Symbolic:** External-forces. Symbolize-control.
- **Reality:** Neither. Constrained. (Exhibit 2-1).

● **External Environment (Impact on Management Practices/Strategies):** [PYQ]

- **Definition:** Outside-factors-affecting-performance.
- **Components:** (Exhibit 2-2) Economic [PYQ], Demographic, Political/Legal [PYQ], Sociocultural [PYQ] (Cultural Differences in Intl. Ops), Technological, Global [PYQ].

● **Organizational Culture (Characteristics & Importance):** [PYQ]

- **What:** Influences-actions.
- **Definition:** Shared-values, Principles, Traditions, Ways-of-doing.
- **Implies:** Perception, Descriptive, Shared.
- **Dimensions:** (7) Innovation, Detail, Outcome, People, Team, Aggressiveness, Stability. (Exhibit 2-5, 2-6).
- **Strong-Cultures:** Intense, Widely-shared. (Exhibit 2-7).
- **Importance:** Loyalty↑, Performance↑. Drawback: Inflexibility.
- **Origin & Continuance:** (Exhibit 2-8) Founders→Selection→TopMgt/Socialization→Culture.
- **Maintaining:** Selection, Top-actions, Socialization.
- **Learning-Culture:** Stories, Rituals, Symbols, Language.
- **Affects-Managers:** Constrains. (Exhibit 2-9).

● **Global Business Environment (International Management / Expansion Strategies):** [PYQ]

- **Intl. Mgt:** Cross-border-transfer.
- **Intl. Mgr. Skills:** Conceptual, Human, Technical, Host-Risk-Eval, Country-Risk-Mgt, Home-Pressure, Legitimacy, Legal-Env, Host-Culture, Monetary/Accounting, Human-Capital.

- **Global-Attitudes:** Ethnocentric, Polycentric, Geocentric.
 - **Understanding-Global-Env:**
 - **Regional-Trading-Alliances:** EU (Exh.3-1), NAFTA, ASEAN (Exh.3-2), Others.
 - **Global-Trade-Mechanisms:** WTO, IMF, WorldBank, OECD.
 - **Going-International (Expansion Strategies):** (Exhibit 3-3) [PYQ]
 - **Types:** MNC, Multidomestic, Global, Transnational.
 - **Techniques:** Sourcing, Export/Import, Licensing, Franchising, Alliance, JV, Subsidiary.
 - **Managing-Global-Env:** Political/Legal, Economic, Cultural. (Exhibit 3-4).
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PME UNIT - 2 Notes (Planning, Decision Making, Forecasting, Directing & Leadership - PYQ Topics - Ultra Concise)

● Nature (of Planning): [PYQ]

- **Definition:** Beginning, Primacy.
- **Intellectual:** Think-first.
- **Integral:** Decision-making.
- **Continuous:** Monitor, Change, Flexible. [PYQ]
- **Pervasive:** All-managers. [PYQ]

● Purpose / Importance (of Planning): [PYQ]

- Risk↓, Success↑, Goal-focus, Control-facilitate, Train.

● Types (of Plans): [PYQ]

- **Hierarchy:** (Fig 4.1) Vision→Mission→Objectives→Strategies→Operational.
- **Vision:** Dream.
- **Mission:** Aim, Scope.
- **Objectives:** Goals. (Stakeholders, Characteristics, Requirements, Adv.).
- **Strategies:** Competitive-response, SWOT. [PYQ] (Modes: Planning, Entrepreneurial, Adaptive).
- **Operational:** Implement.
- **Standing:** Recurring. (Policies [PYQ], Procedures, Methods, Rules).
- **Single-use:** Specific-end. (Programmes, Budgets).

● Steps (in Planning Process): [PYQ]

1. Goals. 2. Premises. 3. Period. 4. Alternatives. 5. Evaluate/Select. 6. Derivative-plans. 7. Action-plans. 8. Control.

● Limitations (of Planning / Challenges in Planning Process): [PYQ]

- Costly, Restricts, Delays, Limited-scope, Inflexible, Inaccurate-premises, Resistance.

● Making-Effective (Overcoming Challenges in Planning): [PYQ]

- Overcome, Guidelines (Coordination, Communication, Participation, Climate).

● **Creativity/Innovation (in Directing, also linked to work-life balance & employee development):**

[PYQ]

- Style-impact, Fostering.

● **Elements (of Directing - specifically Motivation):** [PYQ]

- Motivation, Communication, Leadership, Supervision.

● **Characteristics (of Successful Leaders):** [PYQ]

- Goal, Power, Pervasive, Persuasive, Interactive, etc.

● **Leadership vs. Management:** [PYQ]

- On-system / In-system.

● **Leadership Theories (Evolution & Implications):** [PYQ]

- **Trait:** Born, Traits (Exh 16-1). [PYQ]
- **Behavioural:** Made, Behaviours. (Lewin, Ohio(Fig 15.2), Michigan, Grid(Fig 15.3) [PYQ]).
- **Contingency/Situational:** Style-depends-on-situation. [PYQ] (Fiedler(Exh 16-3), Hersey-Blanchard, Tannenbaum-Schmidt, Path-Goal(Fig 15.4), Vroom-Jaga).
- **Other:** VDL, Transactional/Transformational [PYQ].
- **Org-Life-Cycle.**

● **Contemporary-Views (of Leadership & Implications):** [PYQ]

- LMX, Transact/Transform, Charismatic, Authentic, Ethical, Servant, Team, Cross-Cultural.

● **Implications (of Leadership Theories for Contemporary Practices):** [PYQ]

- No-best-style, Self-aware, Relationships, Ethics, Empowerment, Vision, Followers, Adaptability, Process, Training.

PME UNIT - 3 Notes (Organisation Structure and Staffing - PYQ Topics - Ultra Concise)

● **What is an Organisation? (Concepts & Organization):** [PYQ]

- Deliberate-grouping, Specific-goals.
- Rational-coordination, Division-of-labor.
- Identifying/Grouping-work, Relationships.
- Pattern-of-relating.
- Examples: Corporations, Armies. Not: Tribes.

● **Characteristics (of an Organisation):** [PYQ]

- Purpose/Goal(s).
- Major-duties.
- Activities-into-jobs.
- Relationships (Coordination).
- Configuration.

● **PROCESS OF ORGANISING (Define Planning & Process):** [PYQ]

- Design-structure.
- Differentiation & Integration.
- Seven-steps:

1. Objectives. 2. Boundaries. 3. Grouping(Depts). 4. Key-Depts. 5. Decision-Levels. 6. Span. 7. Coordination.

- Other: Power, Informal, Politics.

● **PRINCIPLES OF ORGANISING:** [PYQ]

- Sound, Efficient (Brecht).
- Objectives, Specialisation, Span, Mgt-by-Exception, Scalar, Unity-of-Command, Delegation, Responsibility, Authority, Efficiency, Simplicity, Flexibility, Balance, Unity-of-Direction, Personal-Ability.

● **Departmentalisation (Centralized vs Decentralized & Impact):** [PYQ]

- Horizontal-differentiation.
- Process & Purpose.

● **PURPOSE (Departmentalisation - Externally oriented, including Centralized vs Decentralized):** [PYQ]

- Products: Self-contained. (Adv:Product-focus; Draw:Duplication).
- Customers: Types. (Adv:Cust-focus; Draw:Underutilization).
- Regions/Territory: Location. (Adv:Local-adapt; Draw:Duplication).
- Time: Shifts.
- Combined-Base: (Fig.7.2).
- Matrix: (Fig.7.3) Functional+Product. (Adv:Flexibility; Draw:Two-bosses; Sugg:Career-system).

● **Organisation Structure (Creating):** [PYQ]

- Horizontal/Vertical-parts.
- Enables: Activities, Coordination, Boundaries.
- Chart: (Fig.7.1-Circular) Snapshot (Authority, Resp, Comm, Hierarchy). (Adv:Makeup; Draw:Status).
- Manuals: Job-descriptions.

● **Authority Delegation & Decentralisation:** [PYQ]

- Underlying-mgt.
- Formal-Authority: Right-to-command (Fayol).
- Functions-Authority(Simon): Obedience, Expertise, Centralisation.
- Source-Authority: Classical(Top-down) vs. HumanRelations(Acceptance).

● **DELEGATION OF AUTHORITY (Benefits for Employee Development):** [PYQ]

- Meaning: Assign-work+authority. Mgr-retains-overall.
- Adv: Workload↓, Better-decisions, Train, Morale.
- Barriers: Mgr-side(Fear), Sub-side(Fear).
- Guidelines: Non-priority, Clear-task, Proport-auth, Limits, Trust.

- **DECENTRALISATION OF AUTHORITY (Define & Differences with Delegation):** [PYQ]
- Meaning: Distribute-DM-authority.
- Dale's-criteria: Extent.
- Fayol: Role↑=Decent.
- Distinction(Del vs Decent): Process/Individual vs. End-result/Systematic. [PYQ]
- Trade-offs (Centralized vs Decentralized): Adv-Decent(Quicker) vs. Adv-Cent(Coordination). [PYQ]
- How-Much?(Contingency): Size, Age, Philosophy, Abilities, Strategy.

- **Staffing (including Human Resource Inventory - HRI):** [PYQ]
- Manpower-Plan, Recruit, Select.

Manpower Planning (HRI): [PYQ]

- Right#, Place, Time.
- Process:
 - *Right-Kind*: Job-Analysis, Job-Description, Job-Specification.
 - *Right-Number*: Short-term (<2yrs), Long-term(2-5yrs).
 - Forecasting→Compare D&S→Action-Plans (Fig.11.1).

PME UNIT - 4 Notes (Controlling System - PYQ Topics - Ultra Concise)

- **Importance (of Controlling):** [PYQ]
 - Align, Achieve, Minimize, Improve.
- **Steps (in the Controlling Process):** [PYQ]
 - Standards, Measure, Compare, Analyze, Act.
- **Process of Control (including significance in management):** [PYQ]
 1. **Standards:** Criteria (Quantitative/Qualitative).
 2. **Measure:** Data, Outcomes (Timely, Accurate).
 3. **Compare:** Actual vs. Standards (Deviations).
 4. **Analyze:** Causes (Critical Deviations).
 5. **Corrective Action:** Retrain, Revise, Realign.
 - Continuous, Feedback-loop.
- **BENEFITS OF CONTROL:** [PYQ]
 - Productivity↑, Defects↓, Deadlines, Communication, Safety, Cost↓, Empowerment.
- **Types of Organizational Control:** [PYQ]
 1. **Market Control:**
 - **Definition:** External-market-mechanisms.
 - **Features:** Economic, Measurable, Decentralized.

- **Examples:** Division-profits, Bidding.
- **Adv:** Cost-effective, Motivates.
- **Lim:** Not-quantifiable/No-data.

2. Bureaucratic Control:

- **Definition:** Formal-rules, Policies.
- **Features:** Compliance, Standardization, Authority.
- **Examples:** SOPs, Rule-appraisals, Audits.
- **Adv:** Discipline, Stable.
- **Lim:** Rigid, Slow, Initiative↓.

3. Clan Control:

- **Definition:** Shared-values, Culture.
- **Features:** Social-norms, Self-regulated.
- **Examples:** Culture, Mentorship, Identity.
- **Adv:** Commitment, Adaptability, Creative.
- **Lim:** Slow-develop, Hard-measure.
- Mix-of-three.

● **Budgeting (as Control Technique):** [PYQ]

- Quantifies, Compares.

a) **Budgeting as Control (Concept & Importance):** [PYQ]

- **Definition:** Targets, Benchmark.
- **Features:** Targets, Comparison, Allocation, Expenditure-control, Planning.
- **Types:** Fixed, Flexible, Master, Cash-Flow.
- **Adv (Advantages & Potential Advantages):** Cost-control, Evaluation, Optimization, Motivation, Future-planning. [PYQ]
- **Lim (Disadvantages & Implementing Budgetary Control Systems):** Rigidity, Time, Misuse, Short-term-focus. [PYQ]

● **Organizational performance (Controlling & Achieving Goals):** [PYQ]

- Goal-achievement (Efficient, Effective).

1. **Definition:** Efficiently, Effectively (Resources, Goals).

- Efficiency=Doing-things-right, Effectiveness=Right-things.

2. **Components:** Productivity, Goal-attainment.

3. **Managerial Role:** Drive (Goals, Allocate, Lead, Monitor).

4. **Relevance:** Efficient, Effective.

● **Control of overall performance (Concept & Importance):** [PYQ]

- Monitoring, Evaluating (Total-functioning, Strategic-goals).
- **Example:** Standards→Measure→Compare→Correct (Financial, Quality, Operational).
- Links-strategy-results.

● **Information Technology's Role in Control (Supporting Controlling Functions):** [PYQ]

1. **Data:** Collection, Monitoring.
2. **Decisions:** MIS, Informed.
3. **Corrective Action:** Identify, Simulate.
4. **Decentralized Control:** Access, Empowered.
5. **Communication:** Timely, Coordinated.
 - Impossible-without-IT.