

Fundamentals of Management

(Q1)

Five function of management are :

- ① **PLANNING** - it is future-oriented and determines an organisation's direction. It is a rational and systematic way of making decisions today that will affect the future of the company. It is a kind of organised foresight.
- ② **ORGANIZING** - it requires a formal structure of authority and the direction and flow of such authority through which work subdivisions are defined, arranged and co-ordinated.
- ③ **STAFFING** - it is a function of hiring and retaining a suitable work-force for the enterprise. It involves process of recruiting, training, developing and evaluating employees with proper incentives and motivation.
- ④ **DIRECTING** - it is concerned with leadership, communicating, motivation, and supervision so that the employees perform their activities in most efficient manner possible.
- ⑤ **CONTROLLING** - it consists of those activities that are undertaken to ensure that the events do not deviate from pre-arranged plans. It is measurement and correction of performance activities of subordinates to make enterprise accomplish their desired plans.

- Q2 . Functional Structure emphasis on specific functions, activities are grouped according to the specialized work.
- Divisional Structure refers to forming a partition / splitting where the business units producing more than one product.

Functional

- economical structure.
- less chance of overall development of managers.
- suitable for all types of organisations.
- bring functional specialization.
- managers having less autonomy of taking decisions, depend on higher authority.

Divisional

- not economical as diff. type of resources produce products.
- more chance of development.
- suitable for only multi-product business units.
- mainly emphasis on product specialization.
- divisional managers are independent and can make the decision independently.