

# Concept of Management

## ① Meaning

Management is the Process of getting things done with the aim of achieving goals "Effectively" and "Efficiently".

→ Optimum use of resources to achieve the goals.

Achieve the goal within time

## ② Definition

"Hawald Koontz & Heinz Weihrich":

→ "Management is the process of designing and maintaining an environment in which individuals, working in groups, efficiently accomplish selected aims".

Keywords: process, environment, group, efficiently, aims

## Peter Drucker

"The task of management is to make people capable of joint performance, to make their strengths effective & their weakness irrelevant".

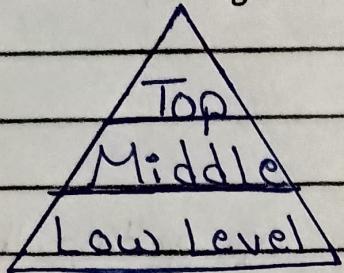
Keywords: results through people, strengths, performance

## F.W. Taylor (scientific management angle):

"Management is knowing what you want men to do & then seeing that they do it in the best & cheapest way."

Keywords: best method, efficiency, standardization

## Levels of Management



### I Top level of management

- It consists of board of directors  
Chief executive or Managing director.

The top management is the ultimate source of authority and it manages goals & policies for an enterprise. It devotes more time on planning & coordinating functions.

### II Middle level of Management

- The branch managers & departmental managers constitute middle level. They are responsible to the top management for the functioning of their department. They devote more time to organizational & directional functions.

### III Lower level of Management

- Lower level is also known as supervisory/operative level of management. It consists of supervisors, foreman, section officers, Superintendent etc.
- According to R.C. Davis: "Supervisory might refers to those executives whose work has to be largely with personal oversight & direction of operative employees!"

## Managerial Skills

Top Level	Conceptual Skills	Human Skills	Technical Skills
Middle Level			
Lower Level			

## Characteristics of Management

→ The characteristics of management refer to the essential features or qualities that explain what management is and how it works in every organization. These characteristics help us understand the nature, importance, and behavior of management in different business situations.

- |                      |                      |             |
|----------------------|----------------------|-------------|
| ① Goal Oriented      | ② Dynamic            | ④ Flexible  |
| ③ Group Activity     | ⑤ Multi-Dimensional  | ⑥ System    |
| ⑦ Continuous Process | ⑧ Multi-disciplinary | ⑨ Authority |
| ⑩ Peasants           | ⑪ Intangible force   |             |

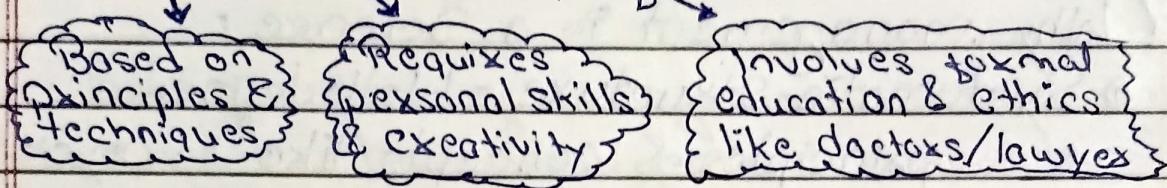
① Goal Oriented → Management always works to achieve specific goals - like increasing profit, improving customer satisfaction or growing the business.

② Group Activity → Management involves people working together. It cannot happen alone.  
Managers guide, motivate, and teams.

- (III) Continuous Process → Management is an ongoing cycle of Planning, Organizing and controlling, repeated continuously.
- (IV) Pervasive (Universal) → Needed in all type of organizations (business, school, hospital NCD, etc)
- (V) Dynamic (change a/c situation) → Changes according to internal & external factors e.g. technology, market trends.
- (VI) Flexible → Not rigid; Policies and decisions adjust as needed.
- (VII) Multi-Dimensional → Deals with people (human), work (tasks) and operations (machines/technology).
- (VIII) Multi-Disciplinary → Uses knowledge from economics, psychology, sociology, statistics, etc.
- (IX) Intangible force → Cannot be seen, but felt through discipline, productivity & teamwork.
- (X) System of Authority → Follows a clear chain of command (who reports to whom, who makes decisions).

## Nature of Management

→ The nature of management refers to what management truly is - its basic principles, approach, and behavior in organizations. It explains how management acts like a Science, art and profession.



### Management as an Art

- Art = application of personal skills, knowledge, and creativity to get desired results.
- No fixed solutions for business problems; managers create unique & innovative approaches.
- Requires judgement, experience, and creative thinking.

### ? Why management is an Art:

- ① Creative - Generates new ideas & solutions.
- ② Uses personal skill - Ability to apply knowledge effectively.
- ③ Involves technical know-how - Understanding of tools, methods, and techniques
- ④ Goal-oriented - Aims at achieving desired results
- ⑤ Personalized - Different managers apply different styles.

## Management as a Science

- Science = Systematic body of knowledge with principles based on facts, observation, and experimentation.
- Management uses tested principles to handle business problems.

### ? Why management is a Science :

- ① Systematic Structure - Well-defined principles & concepts like in physics/chemistry.
- ② Universal Validity - Principles apply in all organization (e.g., finance, HR).
- ③ Experimentation - Principles tested and refined to improve results.

## Management as a Profession

- Profession = Specialized occupation requiring formal education, training, and adherence to ethical codes.

- Managers are paid (remunerated) for their expertise

### ? Why management is a Profession

- ① Requires specialized knowledge and education

- ⑩ Involves a contract/appointment with an organization.
- ⑪ Has ethical standards (like doctors/lawyers).
- ⑫ Entry is restricted by qualification and skills.

## Objectives of Management

→ The objectives of management are the goals or targets that management tries to achieve in every organization.

Main Objectives :

### ① Organizational Objectives

- To earn profits, grow the business, survive in the market and maintain efficiency.

### ② Social Objective

- To provide good quality products at fair prices, protect the environment & create jobs.

### ③ Personal (individual) Objective

- To satisfy the needs of employees - fair salary, job security, personal growth.

? difference b/w

Nature of mgmt	Characteristics of mgmt.
• What management is	• What management does
• Concept / Philosophy	• Behavior / Features
• Eg Science, art, Profession.	• Eg Goal-oriented, Dynamic.

## Functions of Management

- ① Planning → Deciding in advance what to do, when to do, how to do & who will do it.
  - Sets objectives - Reduces uncertainty
  - Chooses the best course of action.
- ② Organizing → Arrange resources (People, materials, finance) and activities in a structured way.
- ③ Staffing → Recruiting, Selecting, training & developing employees.
- ④ Directing → Ensuring that actual performance matches the planned performance.
- ⑤ Controlling → Ensuring that actual performance matches the planned performance.

## Importance of Management

- ① Management helps in achieving organizational goals.
- ② Management increases efficiency of organization.
- ③ Ensures optimal use of resources.
- ④ Promotes development of organization.
- ⑤ Maintains coordination.
- ⑥ Helps to maintain quality.
- ⑦ Helps to reduce cost.
- ⑧ Ensures timely delivery.
- ⑨ Improves employee morale.

## Scope of Management

→ The scope of mgmt extends to the various areas and activities where management principles are applied to achieve organizational objectives. It covers all business functions.

- ① Marketing Mgmt
- ② Finance Mgmt
- ③ Human Resource Mgmt
- ④ Production Mgmt
- ⑤ Research & Development (R&D) Mgmt.
- ⑥ Office Mgmt.

## Relationship of Management with other Social sciences:

### ① Management and Economics

→ Economics helps managers understand resource allocation, cost control, pricing, and market behavior.

### ② Management and Psychology

→ Psychology explains human behavior, motivation, and decision-making, which are essential for managing people.

### ③ Management and Sociology

→ Sociology studies society, groups & culture - helping managers handle organizational culture & teamwork.

### ④ Management and Anthropology

→ Anthropology studies human evolution, culture, and social systems, useful for understanding consumer behavior in different regions.

## ⑤ Management and Political Science

→ Political science provides knowledge about government policies, laws, and political stability that affect business operations.

## ⑥ Management and History

→ History offers lessons from past events, industrial developments, and management practices.