

# PART – A

## Chapter 1

### ➤ Management :

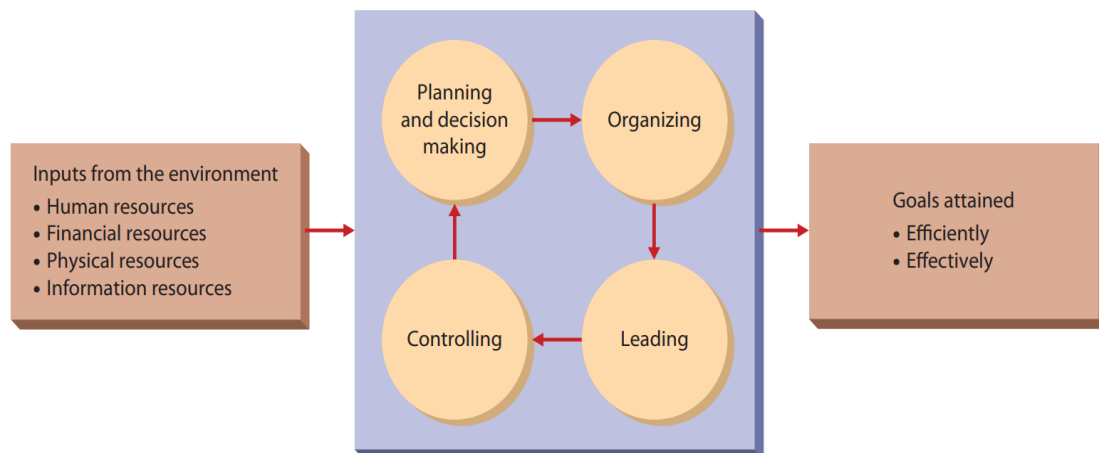
A set of activities (including planning and decision making, organizing, leading, and controlling) directed at an organization's resources (human, financial, physical and information), with the aim of achieving organizational goals in an efficient and effective manner.

### ➤ Manager :

Someone whose primary responsibility is to carry out the management process.

### ➤ Management in Organizations :

Basic managerial activities include planning and decision making, organizing, leading, and controlling. Managers engage in these activities to combine human, financial, physical, and information resources efficiently and effectively and to work toward achieving the goals of the organization.

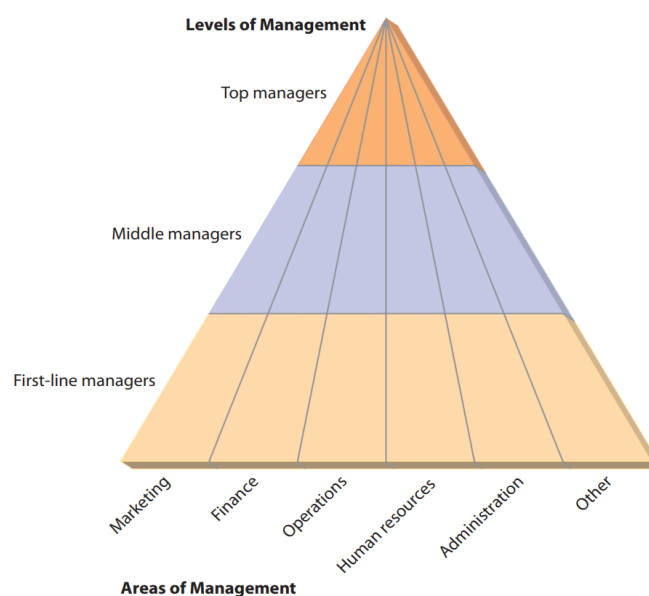


### ➤ The Management Process :



Management involves four basic activities—planning and decision making, organizing, leading, and controlling. Although there is a basic logic for describing these activities in this sequence (as indicated by the solid arrows), most managers engage in more than one activity at a time and often move back and forth between the activities in unpredictable ways (as shown by the dotted arrows). part of planning, setting up the organization is part of organizing, managing people is part of leading, and monitoring performance is part of controlling.

- ❖ **Planning and Decision Making** : Planning means setting an organization's goals and deciding how best to achieve them . Decision making is the part of the planning process that involves selecting a course of action from a set of alternatives. Planning and decision making help maintain managerial effectiveness by serving as guides for future activities.
- ❖ **Organizing** : Once a manager has set goals and developed a workable plan, the next management function is to organize people and the other resources necessary to carry out the plan. Specifically, organizing involves determining how activities and resources are to be grouped.
- ❖ **Leading** : The third basic managerial function is leading. Some people consider leading to be both the most important and the most challenging of all managerial activities. Leading is the set of processes used to get members of the organization to work together to further the interests of the organization
- ❖ **Controlling** : The final phase of the management process is controlling, or monitoring the organization's progress toward its goals. As the organization moves toward its goals, managers must monitor progress to ensure that it is performing in such a way as to arrive at its "destination" at the appointed time.
- **Kinds of Managers** : Not all managers are the same, of course, nor is the work they perform. Among other things, we can classify managers according to their level in the organization and the area in which they work.



### **Managing at Different Levels of the Organization :**

- ❖ **Top Managers** : Top managers make up the relatively small group of executives who manage the overall organization. Titles found in this group include president, vice president, and chief executive officer (CEO).
- ❖ **Middle Managers** : Middle management is probably the largest group of managers in most organizations. Common middle-management titles include plant manager, operations manager, and division head. Middle managers are responsible primarily for implementing the policies and plans developed by top managers and for supervising and coordinating the activities of lower-level managers.
- ❖ **First-Line Managers** : First-line managers supervise and coordinate the activities of operating employees. Common titles for first-line managers are supervisor, coordinator, and office manager.

### **Managing in Different Areas of the Organization :**

- ❖ **Marketing Managers** : Marketing managers work in areas related to the marketing function— getting consumers and clients to buy the organization's products or services.
- ❖ **Financial Managers** : Financial managers deal primarily with an organization's financial resources. They are responsible for such activities as accounting, cash management, and investments.
- ❖ **Operations Managers** : Operations managers are concerned with creating and managing the systems that create an organization's products and services. Typical responsibilities of operations managers include production control, inventory control, quality control, plant layout, and site selection.
- ❖ **Human Resource Managers** : Human resource managers are responsible for hiring and developing employees. They are typically involved in human resource planning, recruiting and selecting employees, training and development, designing compensation and benefit systems, formulating performance appraisal systems, and discharging low-performing and problem employees.
- ❖ **Administrative Managers** : Administrative, or general, managers are not associated with any particular management specialty. Probably the best example of an administrative management position is that of a hospital or clinic administrator.
- ❖ **Other Kinds of Managers** : Many organizations have specialized management positions in addition to those already described. Public relations managers, for example, deal with the public and media for firms.

➤ **Basic Managerial Roles and Skills :**

**Managerial Roles :** Henry Mintzberg offers a number of interesting insights into the nature of managerial roles. Mintzberg concluded that managers play ten different roles and that these roles fall into three basic categories: interpersonal, informational, and decisional.

- ❖ **Interpersonal Roles :** The roles of figurehead, leader, and liaison, which involve dealing with other people.
- ❖ **Informational roles :** The roles of monitor, disseminator, and spokesperson, which involve the processing of information.
- ❖ **Decisional roles :** The roles of entrepreneur, disturbance handler, resource allocator, and negotiator, which relate primarily to making decisions.

**Henry Mintzberg suggests that managers play ten basic managerial roles :**

Category	Role	Sample Activities
<b>Interpersonal</b>	Figurehead	Attending ribbon-cutting ceremony for new plant
	Leader	Encouraging employees to improve productivity
	Liaison	Coordinating activities of two project groups
<b>Informational</b>	Monitor	Scanning industry reports to stay abreast of developments
	Disseminator	Sending memos outlining new organizational initiatives
	Spokesperson	Making a speech to discuss growth plans
<b>Decisional</b>	Entrepreneur	Developing new ideas for innovation
	Disturbance handler	Resolving conflict between two subordinates
	Resource allocator	Reviewing and revising budget requests
	Negotiator	Reaching agreement with a key supplier or labor union

**Managerial Skills :**

- ❖ **Technical skills :** The skills necessary to accomplish or understand the specific kind of work being done in an organization.
- ❖ **Interpersonal skills :** The ability to communicate with, understand, and motivate both individuals and groups.
- ❖ **Conceptual skills :** The manager's ability to think in the abstract.
- ❖ **Diagnostic skills :** The manager's ability to visualize the most appropriate response to a situation.
- ❖ **Communication skills :** The manager's abilities both to effectively convey ideas and information to others and to effectively receive ideas and information from others.
- ❖ **Decision-making skills :** The manager's ability to correctly recognize and define problems and opportunities and to then select an appropriate course of action to solve problems and capitalize on opportunities.
- ❖ **Time-management skills :** The manager's ability to prioritize work, to work efficiently, and to delegate appropriately.

## Chapter 2

### ➤ Decision making :

Decision making is the process of making choices by identifying a decision, gathering information, and assessing alternative resolutions.

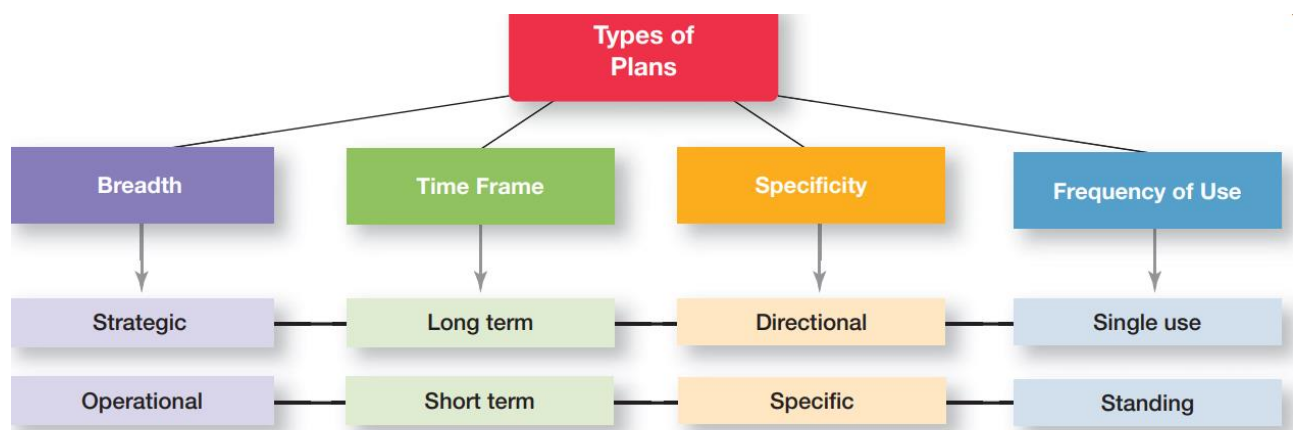
### ➤ The Decision-making process :

Managers at all levels and in all areas of organizations make decisions. That is, they make choices. For instance, top-level managers make decisions about their organization's goals, where to locate manufacturing facilities, or what new markets to move into. Middle and lower-level managers make decisions about production schedules, product quality problems, pay raises, and employee discipline.

- ❖ **Step 1: Identifying a Problem** : Every decision starts with a problem. So, At first manager has to identifying the problem .
- ❖ **Step 2: Identifying Decision Criteria** : Once a manager has identified a problem, he or she must identify the decision criteria that are important or relevant to resolving the problem.
- ❖ **Step 3: Allocating Weights to the Criteria** : If the relevant criteria aren't equally important, the decision maker must weight the items in order to give them the correct priority in the decision.
- ❖ **Step 4: Developing Alternatives** : The fourth step in the decision-making process requires the decision maker to list viable alternatives that could resolve the problem. In this step, a decision maker needs to be creative.
- ❖ **Step 5: Analyzing Alternatives** : Once alternatives have been identified, a decision maker must evaluate each one.
- ❖ **Step 6: Selecting an Alternative** : The sixth step in the decision-making process is choosing the best alternative.
- ❖ **Step 7: Implementing the Alternative** : In step 7 in the decision-making process, you put the decision into action by conveying it to those affected and getting their commitment to it. We know that if the people who must implement a decision participate in the process, they're more likely to support it than if you just tell them what to do.
- ❖ **Step 8: Evaluating Decision Effectiveness** : The last step in the decision-making process involves evaluating the outcome or result of the decision to see whether the problem was resolved.

## Chapter 3

- **Planning** : Planning involves defining the organization's goals, establishing strategies for achieving those goals, and developing plans to integrate and coordinate work activities.
- **Why Do Managers Plan?**
  - ❖ **planning provides direction** to managers and nonmanagers alike. When employees know what their organization or work unit is trying to accomplish and what they must contribute to reach goals, they can coordinate their activities, cooperate with each other, and do what it takes to accomplish those goals.
  - ❖ **planning reduces uncertainty** by forcing managers to look ahead, anticipate change, consider the impact of change, and develop appropriate responses.
  - ❖ **planning minimizes waste and redundancy**. When work activities are coordinated around plans, inefficiencies become obvious and can be corrected or eliminated .
  - ❖ **Planning establishes the goals or standards used in controlling**. When managers plan, they develop goals and plans.
- **Types of Plans :**
  - ❖ **Strategic plans** : **Strategic plans** are plans that apply to the entire organization and establish the organization's overall goals.
  - ❖ **Operational plans** : Plans that encompass a particular operational area of the organization are called **Operational plans**.
  - ❖ **Long term** : We define long-term plans as those with a time frame beyond three years.
  - ❖ **Short term** : Short-term plans cover one year or less. Any time period in between would be an intermediate plan.
  - ❖ **Specific plan** : Specific plans are clearly defined and leave no room for interpretation.
  - ❖ **Directional plan** : Directional plans are flexible plans that set out general guidelines.
  - ❖ **Single-use plan** : A one-time plan specifically designed to meet the needs of a unique situation.
  - ❖ **Standing plans** : Ongoing plans that provide guidance for activities performed repeatedly.



## **Chapter 4**

- **Organization :** Organizing is the second key management function, after planning, which coordinates human efforts, arranges resources and It involves deciding the ways and means with which the plans can be implemented.
- **organizational design, a process that involves decisions about six key elements:** work specialization, departmentalization, chain of command, span of control, centralization and decentralization, and formalization.
  - ❖ **Work Specialization :** Work specialization is a process that assigns each professional to a specific task. Because the management of the company is clear in what they expect from their employees, each one can focus on their task, gaining special skills and experience that can help them improve.
  - ❖ **Departmentalization :** Departments and compartments are teams of professionals within a larger company. This component of organizational design allows each compartment or department to focus on a specific task the professionals in each group work together to achieve.
  - ❖ **Chain of Command :** The chain of command is the line of authority extending from upper organizational levels to lower levels, which clarifies who reports to whom.
  - ❖ **Span of Control :** The number of employees a manager can efficiently and effectively manage.
  - ❖ **Centralization and Decentralization :** Centralization means the degree to which decision making is concentrated at upper levels of the organization and The degree to which lower-level employees provide input or actually make decisions is called decentralization.
  - ❖ **Formalization :** Formalization refers to how standardized an organization's jobs are and the extent to which employee behavior is guided by rules and procedures.

## Chapter 5

➤ **HRM :** Human resource management (HRM) is the practice of recruiting, hiring, deploying and managing an organization's employees. HRM is often referred to simply as human resources (HR).

➤ **Why Is HRM Important?**

HRM is important for three reasons.

- ❖ First, it can be a significant source of competitive advantage as various studies have concluded.
- ❖ Second, HRM is an important part of organizational strategies. Achieving competitive success through people means managers must change how they think about their employees and how they view the work relationship.
- ❖ Finally, the way organizations treat their people has been found to significantly impact organizational performance.

➤ **Recruitment vs Selection :**

RECRUITMENT	SELECTION
Recruitment is the process of advertising for vacancies, attracting, interviewing, selecting, and hiring employees	Selection is the process where a company picks the best candidates out of the hundreds of applicants received
Involves everything from the identification of a hiring need to filling	Involves choosing the right candidate from the applications received
Occurs first	Follows recruitment
The main objective is to encourage a large number of candidates to apply for a post	The main objective of recruitment is to select the right candidate for the post
	Visit <a href="http://www.PEDIAA.com">www.PEDIAA.com</a>

➤ **HRM process:**

- ❖ **human resource planning :** Ensuring that the organization has the right number and kinds of capable people in the right places and at the right times.
- ❖ **Recruitment and Decruitment :** recruitment—that is, locating, identifying, and attracting capable applicants. On the other hand, if HR planning shows a surplus of employees, managers may want to reduce the organization's workforce through decruitment.
- ❖ **Selection :** The next step in the HRM process is selection, screening job applicants to determine who is best qualified for the job.



- ❖ **Orientation** : A person starting a new job needs the same type of introduction to his or her job and the organization. This introduction is called orientation.  
There are two types of orientation : i. Work unit orientation;  
ii. Organization orientation.
- ❖ **Employee Training** : Employee training is an important HRM activity. provide employees with up to date skill and knowledge.
- ❖ **Employee Performance Management** : Managers need to know whether their employees are performing their jobs efficiently and effectively. That's what a performance management system does—establishes performance standards that are used to evaluate employee performance.
- ❖ **Compensation and Benefits** : Most of us expect to receive appropriate compensation from our employer. Developing an effective and appropriate compensation system is an important part of the HRM process.
- ❖ **Career Development** : Retain competent and high-performing employees.

➤ **Selecting Process :**

- ❖ **Application Forms** :
  - Almost universally used
  - Most useful for gathering information
  - Can predict job performance but not easy to create one that does
- ❖ **Written Tests** :
  - Must be job related
  - Include intelligence, aptitude, ability, personality, and interest tests
  - Are popular (e.g., personality tests; aptitude tests)
  - Relatively good predictor for supervisory positions
- ❖ **Performance-Simulation Tests** :
  - Use actual job behaviors
  - Work sampling—test applicants on tasks associated with that job; appropriate for routine or standardized work
  - Assessment center—simulate jobs; appropriate for evaluating managerial potential
- ❖ **Interviews** :
  - Almost universally used
  - Must know what can and cannot be asked
  - Can be useful for managerial positions
- ❖ **Background Investigations** :
  - Used for verifying application data—valuable source of information
  - Used for verifying reference checks—not a valuable source of information
- ❖ **Physical Examinations** :
  - Are for jobs that have certain physical requirements
  - Mostly used for insurance purposes

## Chapter 8

### ➤ Controlling :

Controlling means monitoring, comparing, and correcting work performance. It is a process of comparing the actual performance with the set standards of the company to ensure that activities are performed according to the plans and if not then taking corrective action .

### ➤ Why controlling is important?

Planning without controlling is useless. Controlling helps managers monitor the effectiveness of their planning, organizing, and leading activities. Controlling can also be viewed as detecting and correcting significant variations in the results obtained from planned activities.

### ➤ Describe the three steps in the control process :

The control process is a three-step process of measuring actual performance, comparing actual performance against a standard, and taking managerial action to correct deviations or to address inadequate standards.

- ❖ **Step 1. Measuring Actual Performance :** To determine what actual performance is, a manager must first get information about it. Thus, the first step in control is measuring.

**HOW WE MEASURE.** Four approaches used by managers to measure and report actual performance are personal observations, statistical reports, oral reports, and written reports.

**WHAT WE MEASURE.** What is measured is probably more critical to the control process than how it's measured. Why? Because selecting the wrong criteria can create serious problems. Besides, what is measured often determines what employees will do.

- ❖ **Step 2. Comparing Actual Performance Against the Standard :** The comparing step determines the variation between actual performance and the standard. Although some variation in performance can be expected in all activities, it's critical to determine an acceptable range of variation.
- ❖ **Step 3. Taking Managerial Action :** Managers can choose among three possible courses of action:
  - i. do nothing;
  - ii. correct the actual performance;
  - iii. revise the standards.

