

Welcome

HUT 310 Management for Engineers

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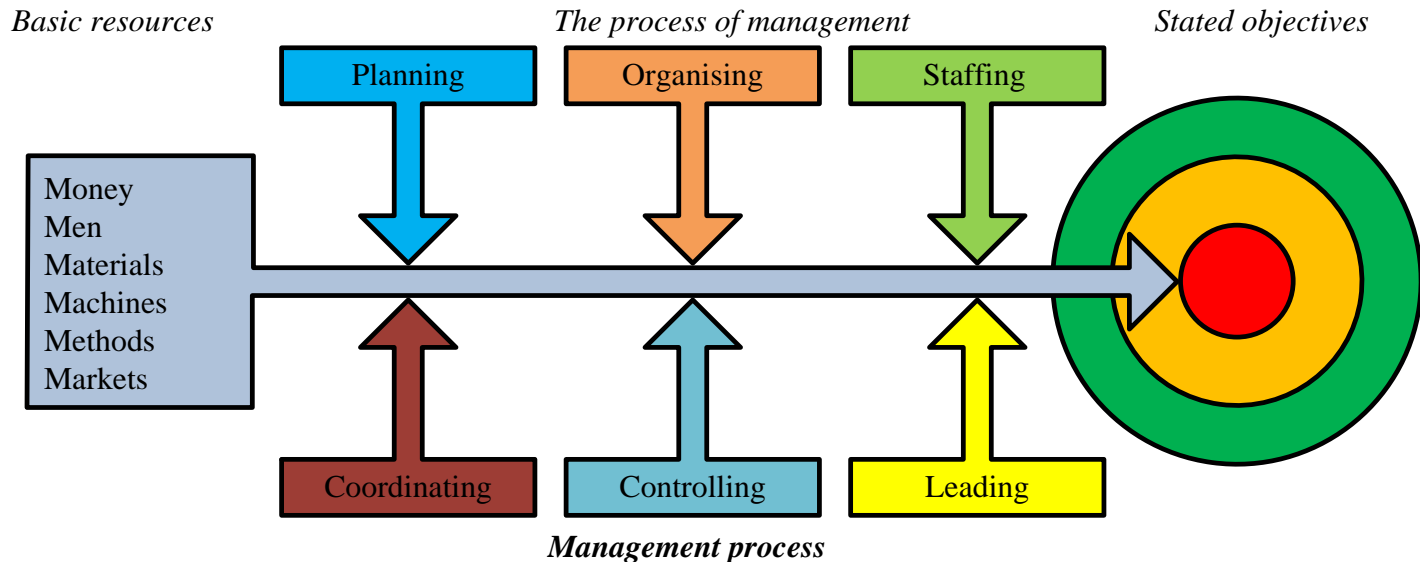
Dept. of Mechanical Engg.,

SNGCE.

Module II-Topics

- 1. Management Process**
- 2. Planning types**
- 3. Mission**
- 4. Goals**
- 5. Strategy**
- 6. Programmes**
- 7. Procedures**
- 8. Organising**
- 9. Principles of Organisation**
- 10. Organization structures**
- 11. Delegation**
- 12. Span of Control**
- 13. Organisation Structures**
- 14. Directing**
- 15. Leadership**
- 16. Motivation**
- 17. Controlling**

Management Process



1. **Planning** – Denotes the determination of short-to-long-range plans.
2. **Organizing**
3. **Staffing** – Staffing involves filling and keeping filled, the positions in the organizational structure.
4. **Leading** – Means stimulating and motivating.
5. **Controlling** – Controlling is at regulating organizational activities so that actual performance meets the expected objectives and standards.
6. **Coordinating** – Co-ordination means to integrate various activities for achieving the objectives of the organization.

Steps in planning process



Types of plans

1. *Goals and objectives*
2. *Classification of business plan based on scope*
 - a) *Strategic plan*
 - b) *Tactical plan*
 - c) *Operational plan*
3. *Classification based on frequency of use*
 - a) *Single use plans*
 - i. *Programmes*
 - ii. *Budget*
 - b) *Standing plans*
 - i. *Policy*
 - ii. *Procedure*
 - iii. *Rule and regulations*
4. *Classification based on time horizon*
 - a) *Long term plans*
 - b) *Intermediate term plans*
 - c) *Short term plans*
5. *Classification based on specificity*
 - a) *Specific plans*
 - b) *Directional plans*
6. *Contingency plan*

Types of plans

- The goals of an organization are derived from the mission of an organization.
- **Missions** are the official goals that describe an organization's reason for existence.
- **Objectives** are specific and short-term targets to be achieved before the goals can be reached.
- **Goals** are the broad and long-term targets of an organization.

Classification of business plan based on scope

1. ***Strategic plan*** – Strategic plans outline the broad goals for the whole organization and also state its mission (purpose of existence).
2. ***Tactical plans*** – Tactical plans are derived from strategic plans. Tactical plans can be defined as an organized sequence of steps designed to execute strategic plans.
3. ***Operational plan*** – These plans are formulated by department managers, supervisors, team leaders and other low-level managers for carrying out the strategic and tactical plans through day-to-day activities.

Classification of business plan based on scope

<i>Nature</i>	<i>Strategic planning</i>	<i>Tactical planning</i>	<i>Operational planning</i>
Management level	Top level.	Intermediate level.	Supervisory level.
Duration	Long term.	Short to medium term.	Short term.
Coverage	Whole organization.	Functional areas like marketing, manufacturing, etc.	Departments, teams, individuals.
Scope of guidelines	Broad and general.	Neither too general nor too specific.	Too specific.

Classification of business plan based on time horizon

1. ***Long-term plans*** – Long-term plans are prepared when organizations require long periods of time to reach their goals. Strategic plans are usually the long-term plans of the organization. These plans may cover a time period of two to five years or more.
2. ***Intermediate-term plans*** – Intermediate plans define the organizational activities that are essential for the execution of long-term plans and goals. These plans normally cover a time horizon of 1 to 2 years.
3. ***Short-term plans*** – These plans are formulated when the organizations want to accomplish their goals within a short span of time. The short-term plan period may not usually exceed a year.

Classification of business plan based on frequency of use

1. ***Single-use plans*** – Single-use plans apply to activities that do not recur or repeat.
 - a) ***Programmes*** – Programmes are single-use plans that are prepared to handle specific situations. Programmes are expected to remain in existence only till the achievement of specific goals.
 - b) ***Budgets*** – A budget refers to the funds allocated to operate a unit for a fixed period of time.
2. ***Continuing plan*** – ***Continuing plans*** or ***ongoing plans*** or ***standing plans*** are usually made once and retain their value over a period of years while undergoing periodic revisions.
 - a) ***Policy*** – A ***policy*** is a standing plan that furnishes broad guidelines for taking action consistent with reaching organizational objectives. eg. Drug-free workplace policies.
 - b) ***Procedure*** – A ***procedure*** is a standing plan that outlines a series of related actions that must be taken to accomplish a particular task.
 - c) ***Rule and regulations*** – A ***rule*** is a standing plan that designates specific required action. A rule indicates what an organization member should or should not do.

Classification of business plan based on time horizon

1. ***Long-term plans*** – These plans may cover a time period of two to five years or more. Strategic plans are usually the long-term plans of the organization.
2. ***Intermediate-term plans*** –These plans normally cover a time horizon of 1 to 2 years. Tactical planning is one form of intermediate planning.
3. ***Short-term plans*** – These plans are formulated when the organizations want to accomplish their goals within a short span of time. The short-term plan period may not usually exceed a year.

Classification of business plan based on specificity

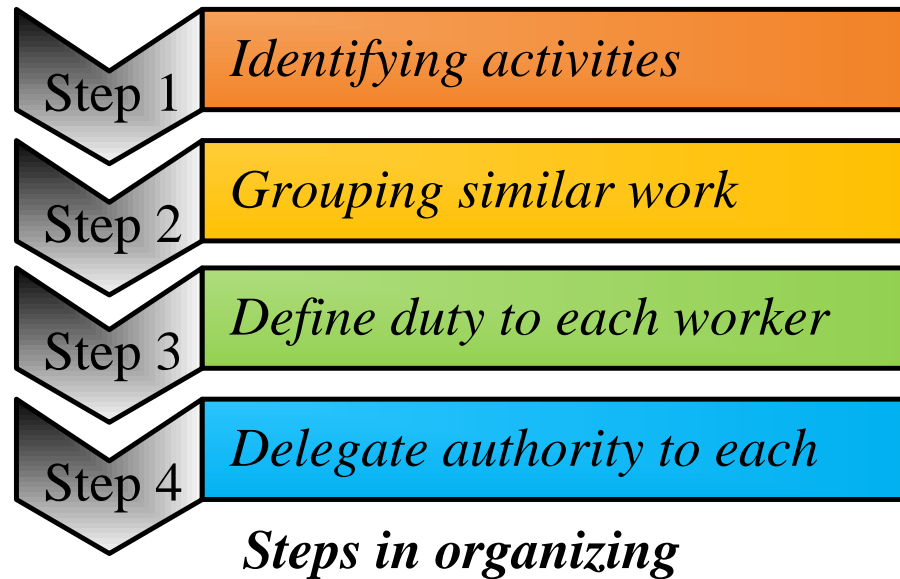
1. ***Specific plans*** – Specific plans are well-defined plans. A plan that aims at cutting the production cost by 3% in one year is an example of a specific plan.
2. ***Directional plans*** – They provide a general direction in which the organization proposes to move forward but there are no specific plans or deadlines. A plan that aims at increasing the corporate profit between 4 % and 6 % is an example of a directional plan.

Contingency plans

- Contingency planning involves identifying alternative courses of action that can be implemented if and when the original plan proves inadequate because of changing circumstances.
- Contingency plans are taken by an organization in the case of crisis, setbacks or unforeseen circumstances.
- Organizations operating in vastly uncertain environments usually develop contingency plans along with strategic, tactical and operational plans.

Organising

***Organizing** is a process of grouping the various activities to be done and assigning duties and responsibilities to people in groups or departments.*



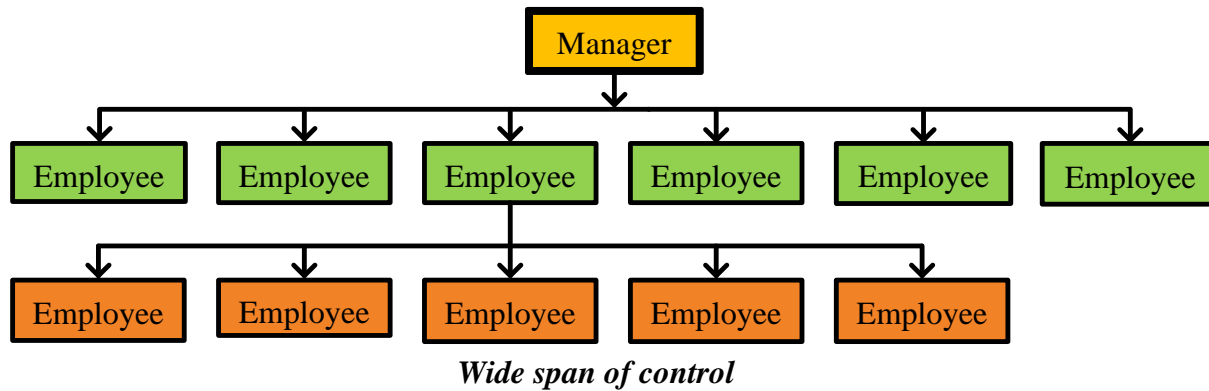
Span of management

- *Span of management* or *span of control* is the number of subordinates which are directly under their superiors.
- The number of subordinates, whom over which control is exercised, should be reasonable as too small number will lead to non-utilization of time and energy of the manager, while large number will lead to difficulty in exercising proper control.

Factors affecting span of management

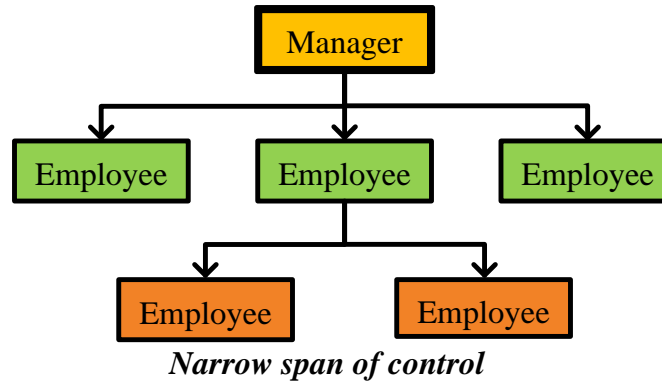
1. *Nature of work*
2. *Clarity of plans and responsibility*
3. *Capacity of person involved*
4. *Time*

Types of span of management



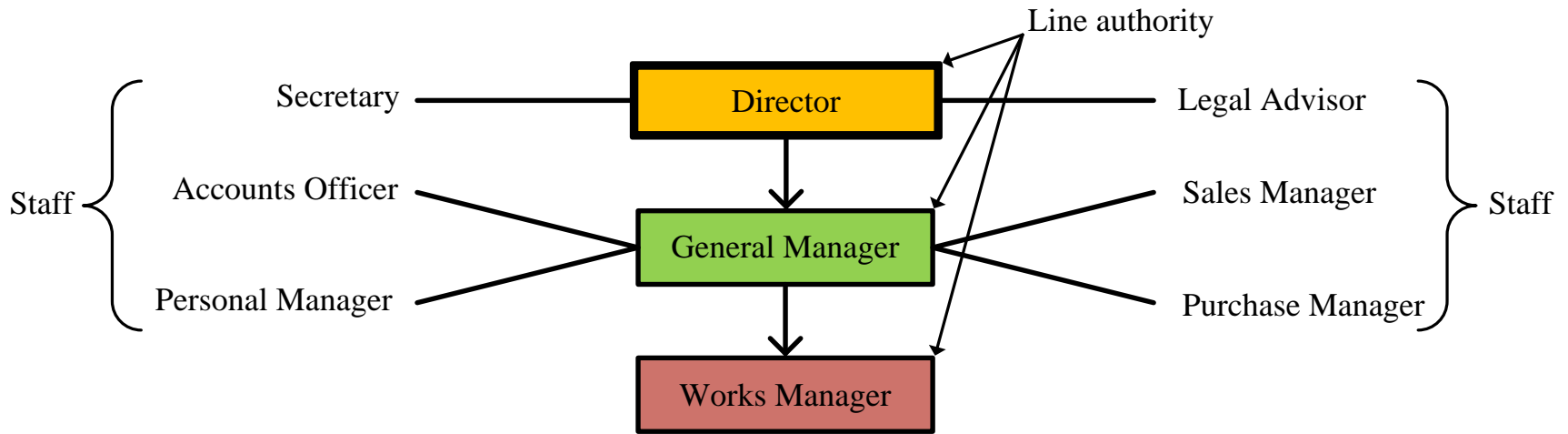
- ***Wide span of control*** – It is one in which a manager can supervise and control effectively a large group of persons at one time.

Types of span of management



- *Narrow span of control* – The manager according to a narrow span supervises a selected number of employees at one time.

Line and staff concepts



Line and staff relationship

1. **Line function** – Line authority is a relationship in which a superior exercises direct supervision and control over subordinates.
2. **Staff function** – Staff managers are those individuals or groups in an organization who provide services and advice to line managers in the performing their functions.

Organizational structure

- An *organization structure* means the systematic arrangement of people working for the organization and their relationship between positions.
- Organizational structure defines the functions to be performed, objectives to be established, working relationship of the individual participants, etc.

Features of a good organizational structure

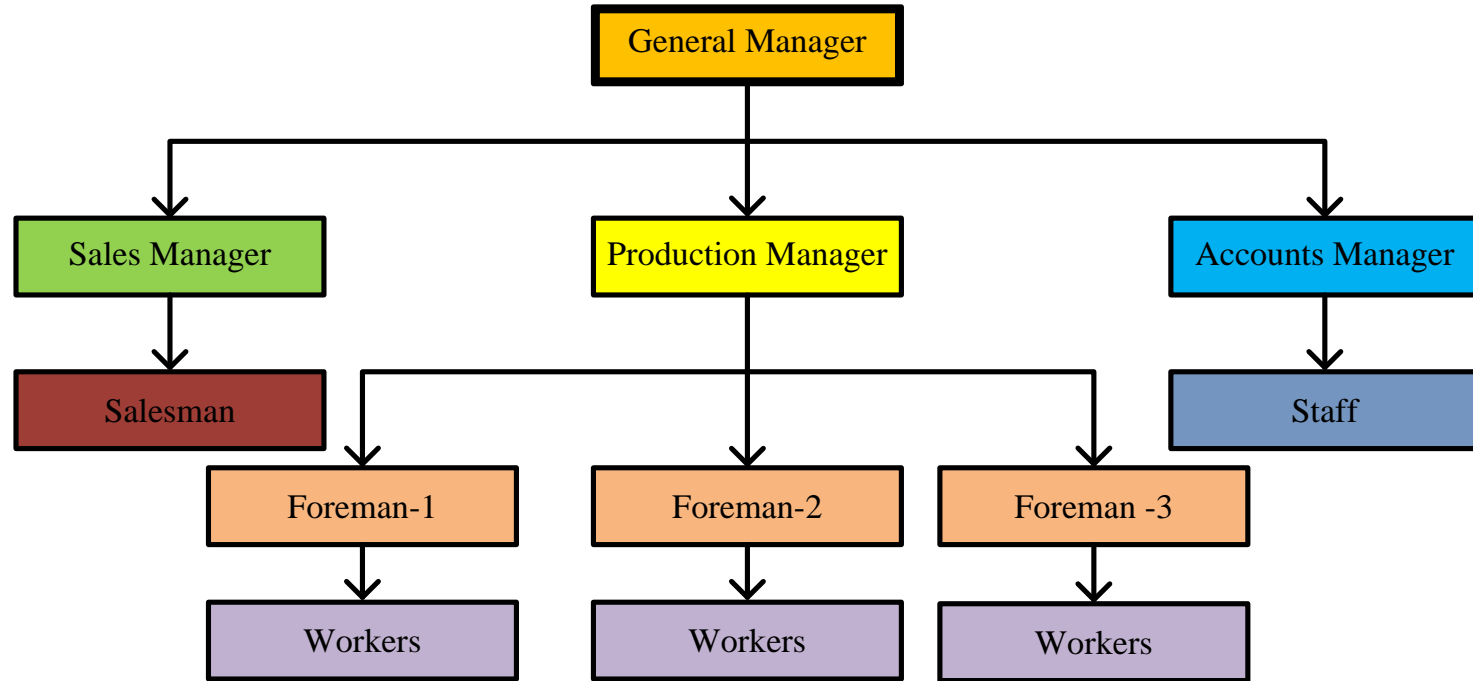
1. *Unity of objectives*
2. *Clear line of authority and responsibility*
3. *Division of work and specialization*
4. *Span of control*
5. *Unity of command*
6. *Simple and flexible*

Forms of organization

Important organizational structures are the following.

1. *Line or Military or Scalar organization,*
2. *Line and staff organization,*
3. *Functional organization,*
4. *Matrix organization,* and
5. *Project organization.*

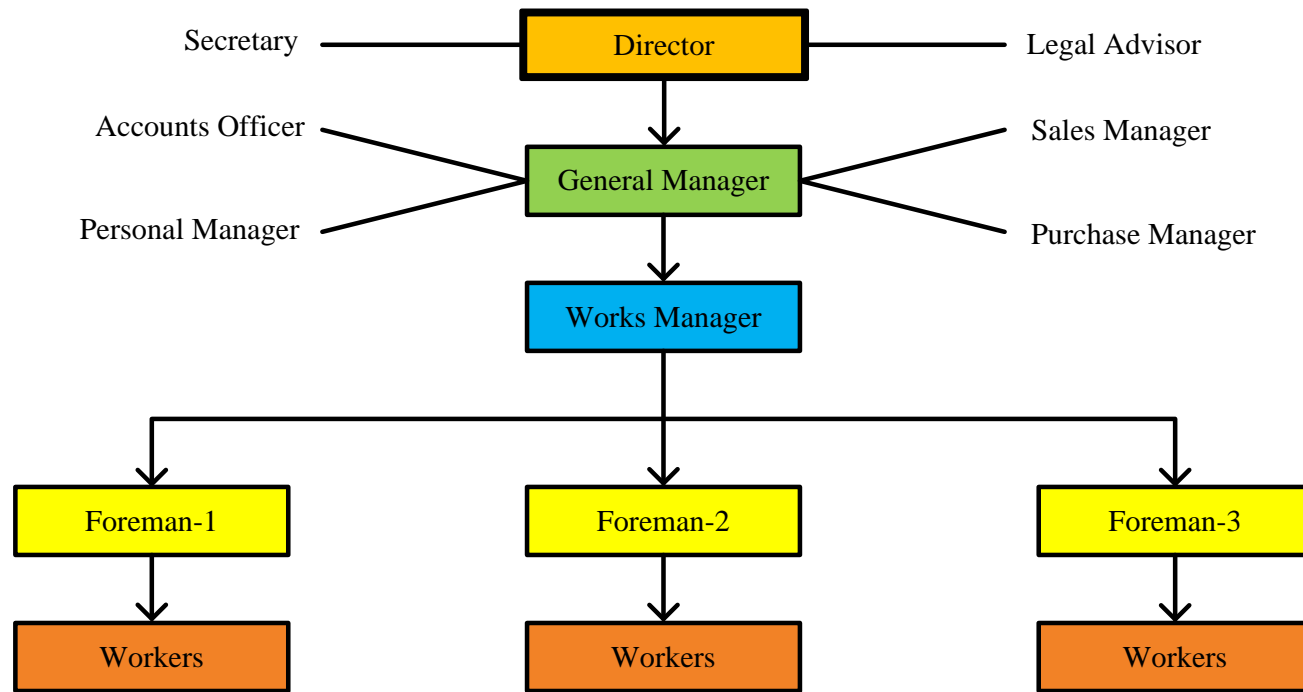
Line organization



Model of line organization structure

- In line organization, based on similarity of activities, different departments are created.
- Each department is placed under one department head. He/she has full authority to control all activities of that department.
- Authority flows from top to bottom along a vertical line.
- Line managers are **generalists**. Line managers need not be specialists.

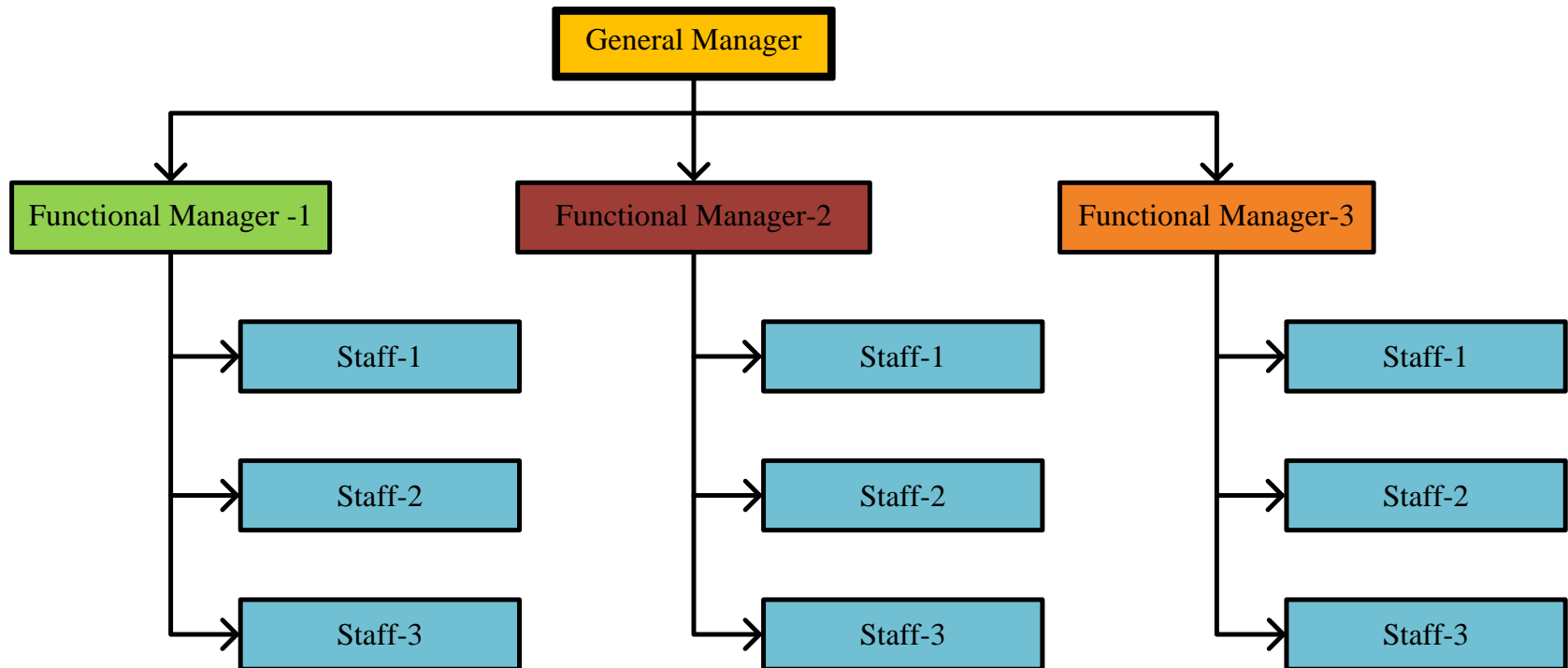
Line and staff organization



Model of line and staff organization structure

- The line executives will have the supervisory authority and control over the work of their subordinates whereas staff executives relieve line executives by giving advice and expert opinion.
- The staff provides expert information and helps to improve the overall efficiency.

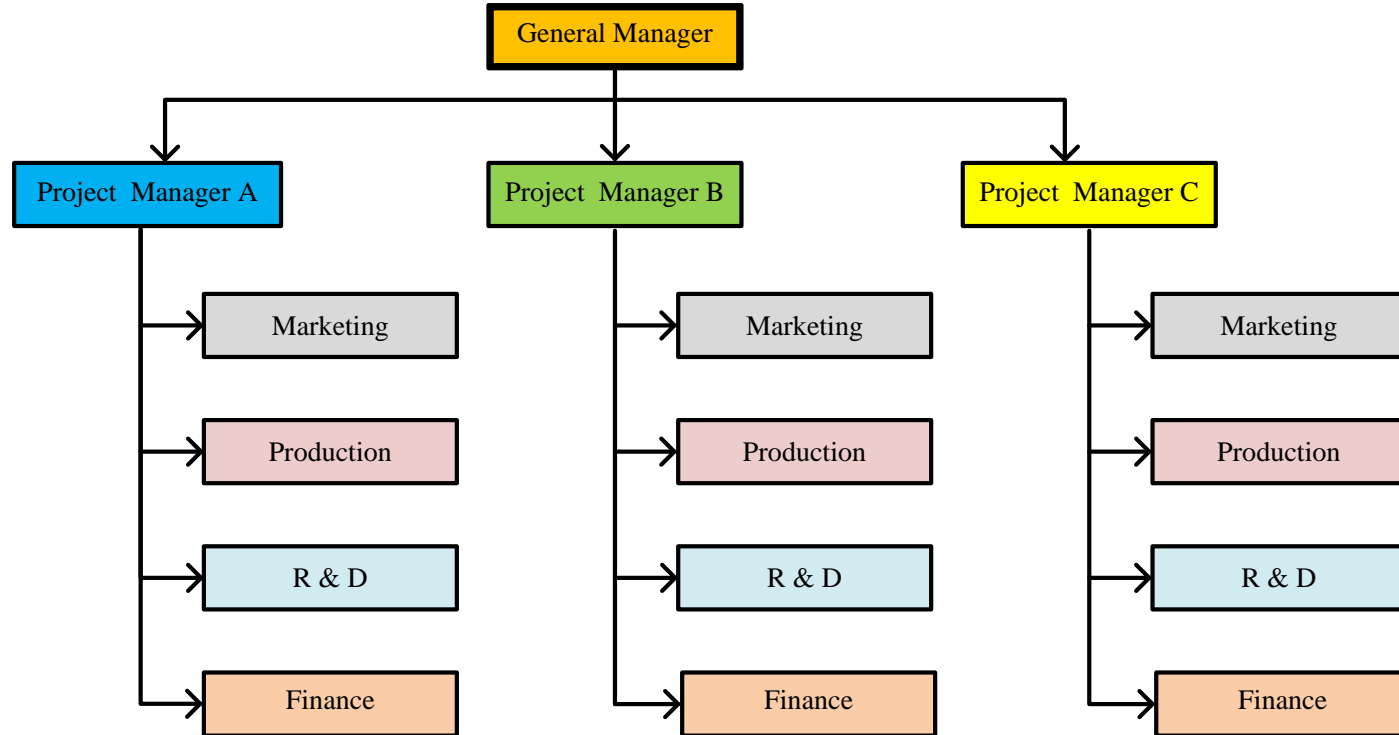
Functional organization



Model of functional organization structure

- In functional structure, the whole task of the organization is divided into specialized functions and each function is performed by a specialist in charge of a functional department.
- Production, marketing, finance, and human resources are the groupings in a functional structure.
- Functional managers are *specialists* in their respective areas.

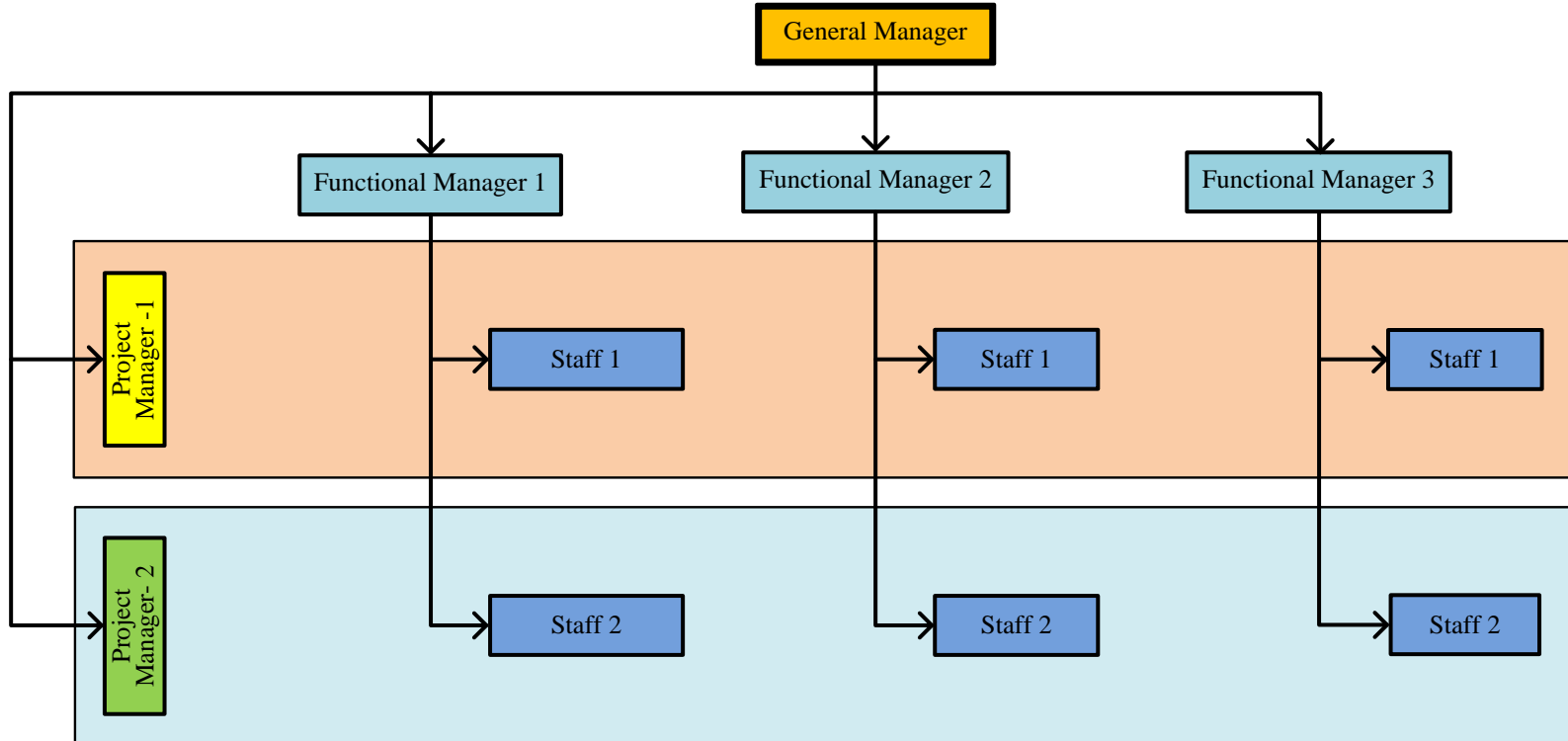
Project organization



Model of project organization structure

- Project team structure consists of an autonomous project team, existing independently of the rest of the organization.
- The project team is assembled for a specific project under the action of the project manager.
- The team is thus temporary and will be dispersed when its project is completed.

Matrix Organization



Model of matrix organization structure

- In matrix organization, staffs are grouped and located by specialty into functional units headed by a functional manager.
- Each member of staff may have two or more bosses.
- The project manager in the matrix works with the functional manager for timely completion of project.

Directing

- *Directing can be defined as the process of guiding the subordinates towards common goals of the organizations.*
- *Directing involves motivating, guiding and supervising subordinates towards company's objectives.*

Principles of effective directing

- 1. Principle of harmony of objectives*
- 2. Principle of direct supervision*
- 3. Principle of unity of command*
- 4. Principle of appropriateness of direction technique*
- 5. Principle of maximum individual contribution*
- 6. Principle of flow of information*
- 7. Principle of leadership*
- 8. Principle of scalar chain*
- 9. Principle of follow-up*
- 10. Principle of strategic use of informal organization*

Leadership

- *Leadership is the process of influencing people so that they work willingly and enthusiastically towards the achievement of organizational, departmental and individual goals.*
- A person who is able to make others willingly follow him is a ***leader***.

Motivating

- *Motivating is the process of stimulating people to take the desired results or course of action.*
- It involves inspiring subordinates to work hard towards the accomplishment of desired objectives.
- Motivation is the task of every manager and is required at all levels.

Kinds of motivation

1. Positive motivation

- 2. Negative motivation*** – In this type, labour is prompted to work by threatening or by punishment.

Motivational Theories

- Prominent motivational theories are *Herzberg's motivation-hygiene theory*, *Theory X and Y* by Douglas McGregor and *Maslow's need hierarchy theory*.
- *Herzberg's motivation-hygiene theory (Two factor theory)*

1. Hygiene factors

- a) Company policy and administration*
- b) Interpersonal relations within the work environment.*
- c) Adequate salary*
- d) Safe working conditions*
- e) Optimum security*
- f) Optimum supervision*

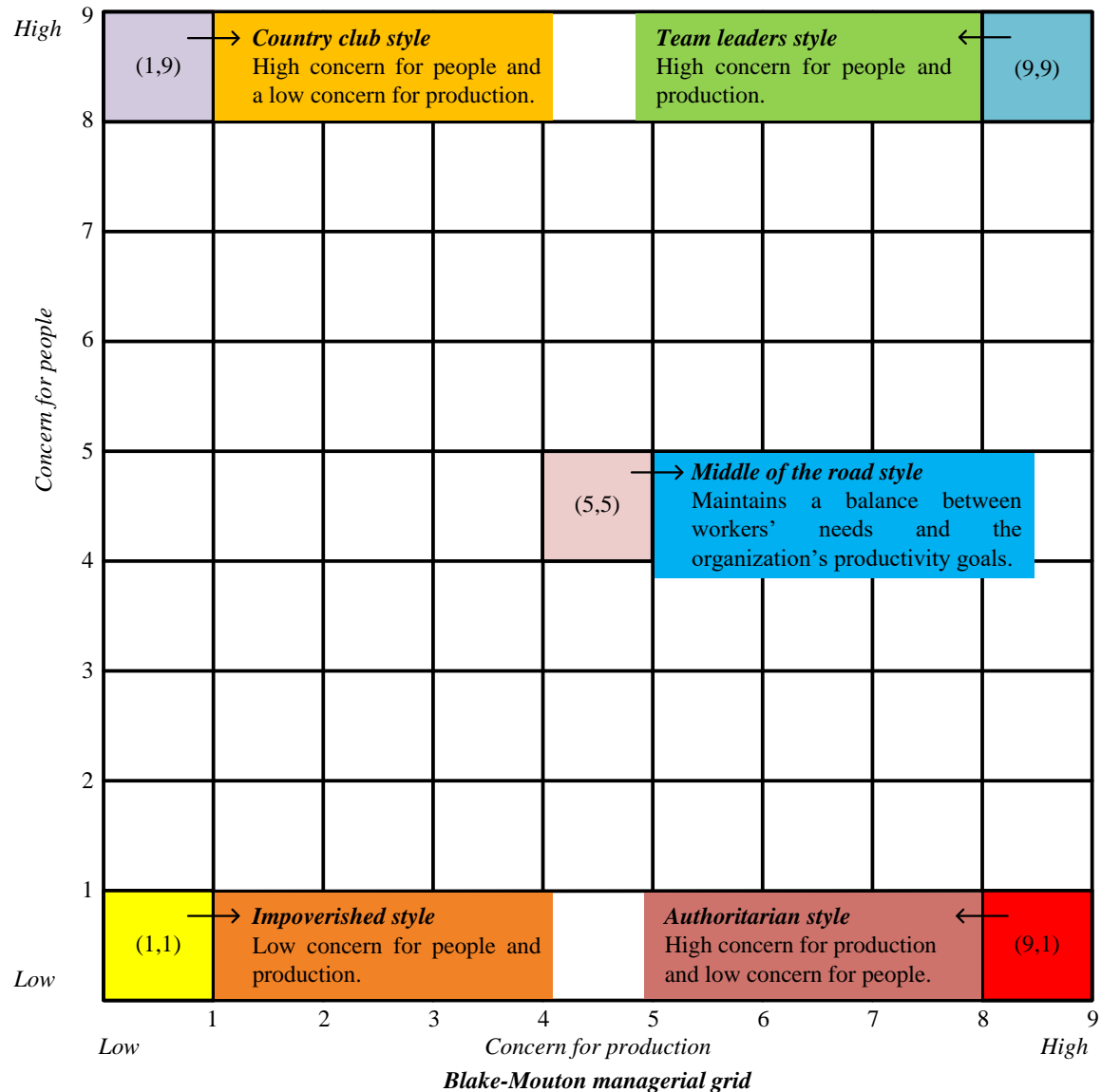
2. Motivational factors – Motivational factors give positive satisfaction. Motivational factors consist of the following.

- a) Achievement*
- b) Recognition*
- c) Possibilities of growth*
- d) Work itself (challenging work)*
- e) Responsibility*

Leadership behavior and styles

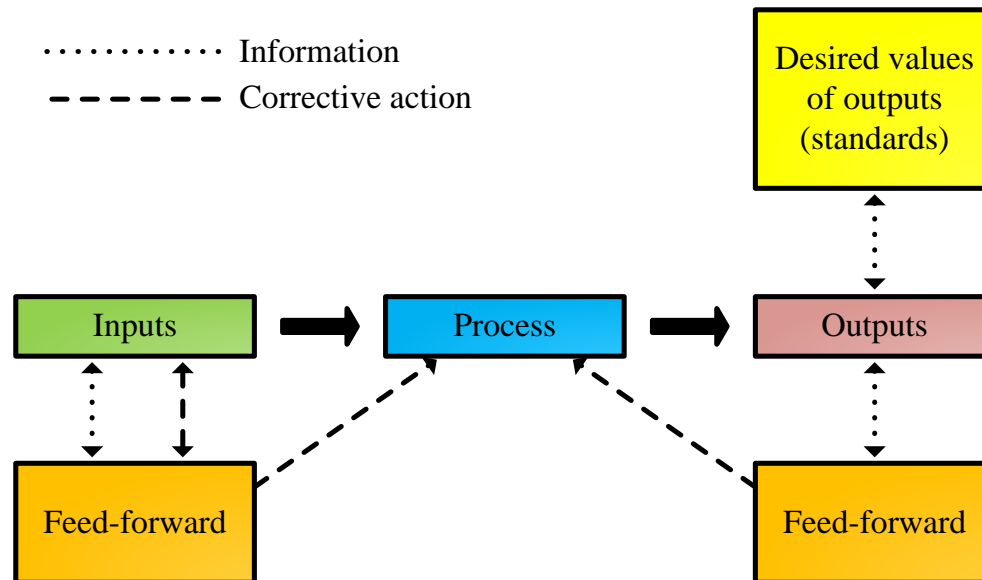
1. *Autocratic leadership*
2. *Democratic leadership or participative leadership*
3. *Free-rein leadership*

The managerial grid



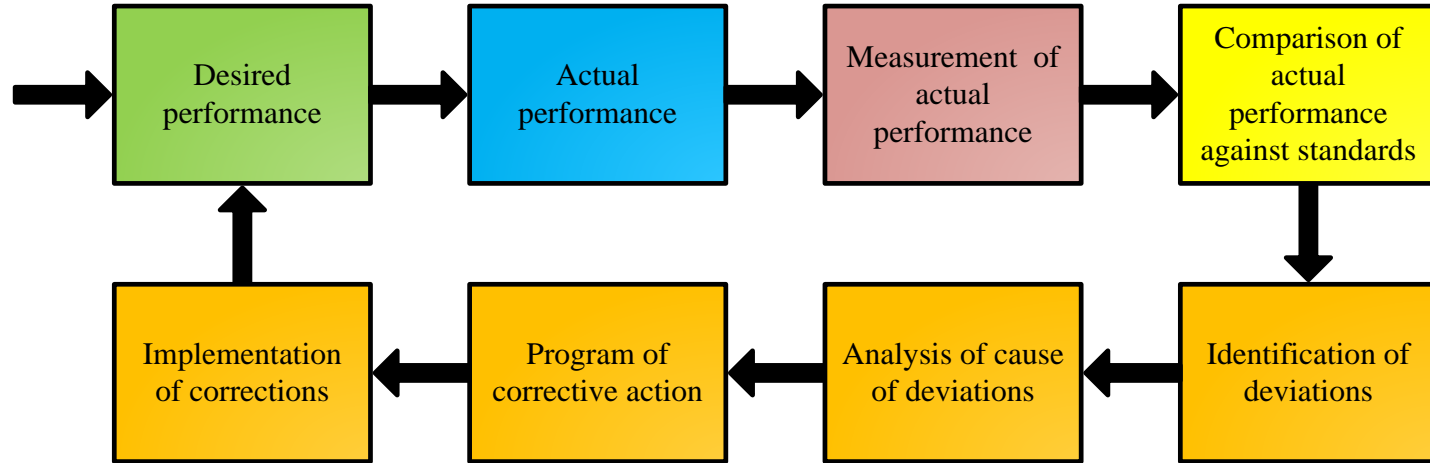
Types of control

1. *Feed-forward control*,
2. *Concurrent control* and
3. *Feedback control*.



Comparison of simple feedback and feed-forward systems

Types of control



Feedback loop of management control

Discussions

1. Define span of control. List the factors affecting it.
2. Define organizational structure.
3. Explain different organizational structures used in industries. Describe the matrix organization in detail and comment on its merits and demerits.
4. Explain a) Functional organization b) Matrix organization c) Committee organization. Discuss the merits and demerits of each one.
5. Explain the meaning of line functions and staff functions.
6. Classify the factors affecting the span of control.
7. Distinguish between line and staff functions with the aid of examples.
8. What is an organization chart? What are its merits and demerits?
9. State Douglas McGregor's Theory X and Theory Y.
10. How does a leader differ from a manager?
11. Explain trait approach to leadership and contingency approach.
12. Distinguish between trait approach and contingency approach to leadership.
13. Illustrate how power and authority are utilized by an effective leader.
14. Give a brief account of (a) transactional leadership and (b) transformational leadership.
15. Critically evaluate the trait approach with an example.
16. Explain the process of controlling function with the aid of a sketch.
17. Distinguish between feedback and feed forward control mechanisms.
18. Write a short note on strategic planning.
19. What is the difference between vision and mission? Give an example.
20. Explain different steps in planning.
21. What do you mean by top-down policy and bottom-up planning and execution approach?
22. Distinguish between plan, goal and procedure.
23. Discuss in detail about narrow span of management.
24. Discuss in detail about wide span of management.
25. Define planning premises.
- 26. Explain the importance of delegation in management. (3)(April, 2022)**
- 27. "Planning is looking ahead and control is looking back" Comment (3)(April, 2022)**
- 28. Explain the mission, goals, strategy, programmes and procedures of an organisation with suitable examples.(8)**
- 29. Differentiate between strategic and tactical decisions. (6)**
- 30. Illustrate the different types of organisation structures. (8)**
- 31. Explain the factors governing the selection of organisation structures. (6)**