

MANAGEMENT AND ENTREPRENEURSHIP

Module – 1

MANAGEMENT: Introduction – Meaning – nature and characteristics of Management, Scope and Functional areas of management – Management as a science, art and profession – Management & Administration – Roles of Management, Levels of Management.

PLANNING: Nature, importance and purpose of planning process – Objectives – Types of plans.

Management

- Definition of management: Simplest definition is that it is defined as the art of getting things Done through people. Management can also be defined as The process consisting of planning, organizing, actuating, and controlling performed to determine and accomplish the use of people and resources.

Four management activities included
in this process are:

- Planning,
- organizing,
- Actuating and
- controlling.

Meaning of management

- The results of a manager's action should be enjoyed by the customer or the client as the ultimate beneficiary. the customers may be internal or external to the organization
- It is the administration of an organization, whether it is a business, a non-profit organization, a government body and others. Management includes the activities of setting the strategy of an organization and coordinating the efforts of its employees (or of volunteers) to accomplish its objectives through the application of available resources, such as financial, natural, technological, and human resources.

Nature of management

- 1)All the managers carry out the managerial functions of planning, organizing, staffing leading and controlling
- 2)management applies to any kind of organization
- 3)applies to managers at all organizational levels
- 4)the aim of the managers is same create the surplus
- 5)managing is concerned with productivity, which implies effectiveness and efficiency

Characteristics of management

- 1) Intangible (not measurable and cannot be seen) but its presence can be felt by efforts in the production sales and revenues.
- 2) universal and it is applicable to all sizes and forms of organizations
- 3) a group activity and it involves getting things done with and through others
- 4) Is goal oriented and all actions of management are directed at achieving specific goals.
- 5) is science as well art and emerging now as a profession
- 6) is multidisciplinary and it has contributions from psychology, sociology, anthropology

Scope of the management

- The management is a must for every organization which encompasses for profit as well as nonprofit organizations, government as well as non government organizations, and service as well as manufacturing organizations.
- Management is not only limited to business enterprises for profits but also to the for non-profit organizations like educational institutions, health care organizations, financial organizations, stores management for keeping their cost of the operation at the optimal levels
Government organizations like municipal corporations, water supply departments, electricity boards in providing best possible services to the public Non-government agencies like environmental agencies benefit from management in achieving their social objectives in cost effective manner Manufacturing organizations extensively use management to increase production to enhance the quality of the products manufactured and similarly Service organizations benefit from management in providing an exemplary service experience to the customers

Functional areas of management

- There are four commonly accepted functions of management that encompass necessary skills:
- **planning,**
- **organizing,**
- **leading, and**
- **controlling.**

Management as a science, art and profession

- Management as Science
- 1)The methods of the inquiry are systematic and empirical
- 2)If the information can be ordered and analyzed
- 3)Results are cumulative and communicable

- To analyze whether management is a science
- Management is not like the exact or natural science such as physics, chemistry etc which are called exact sciences which makes it possible to study any one of many of the factors affecting a phenomenon individually by making the other factors inoperative for that moment of time by examining the effects of heat on the density of air by holding other factors constant in the laboratory for example but where as in management it is not possible to study in management as it involves the study of many and multiplicity of factors affecting him in which involves the study of monetary incentives on workers' productivity . Which means that findings are not accurate and dependable as those of physical sciences and therefore, a management can be put in the category of a behavioral science.

Management as art

- As the science considers the why phenomena management as an art is concerned with the understanding how a particular task can be accomplished which involves art of getting things done through others in a dynamic and non repetitive fashion and has to constantly analyze the existing situation, determine the objectives, seek the alternatives, implement, coordinate, control and evaluate information and make decisions. As the knowledge of management theory and principles is a valuable kit of the manager but it cannot replace his managerial skills and qualities which has to be applied and practiced which makes us to consider manager as an art. Like the art of a musician or the art of a painter who uses his own skill and does not copy the skills of others Thus we may conclude that management involves both the elements those of an art and those of science

To analyze whether Management is a profession

- Characteristics of a profession:
 - 1)existence of organized and systematic knowledge
 - 2) formalized methods of acquiring training and experience.
 - 3)existence of an association with the professionalization as a goal
 - 4)existence of an ethical code to regulate the behavior of the members of the profession
 - 5) Charging of fees based on service.
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- Characteristics of Management:
- 1) Does not have fixed norms of managerial behavior
- 2) no uniform code of conduct or licensing of managers
- 3) entry of managerial jobs are not restricted to individuals with a special academic degree only and hence management cannot be called a profession

Management and administration

Management	Administration
1) Management involves doing which is a lower level function concerned with the execution and direction of policies and operations. No two separate personnel are required. Each manager performs both activities and spends part of his time in administering and part of his time managing.	1) Administration involves thinking which is a top level function which centers around the determination of plans, policies and objectives of a business enterprise.
2) Management is a generic term which includes administration. Manager is the term used in the business enterprises. In management, economic performance becomes the chief dimension of management.	2) Administration is a term used in the governance of non-business institutions (such as government, army etc). In administration, on-business institutions economic consequences of decisions are secondary.

Roles of a manager

- I) Interpersonal roles
- (i) Figure head: performs duties of ceremonial nature such as greeting the touring dignitaries, attending the wedding of an employee etc.
- (ii) Leader: every manager must motivate and encourage their employees, try to reconcile their individual needs with the goals of the organization.
- (iii) Liaison: in this role, every manager must develop contacts outside the vertical chain of command to collect information useful for the organization.

Levels of management

- In any organization, there are three levels of management the first-line, middle and top level managers.
- **First-line management:** is made up of foreman and white collared supervisors
- **Middle management:** consists of vast and diversified group consisting plant managers, personnel managers and department heads.
- **Top management:** consists of board chairman, the company presidents, and the executive vicepresidents.

Planning

- It is a function that determines in advance what should be done which is looking ahead and preparing for the future. It is a process of determining the objectives and charting out the methods of attaining those objectives.
- Planning is an intellectual process which requires manager to think before acting. It is thinking in advance. It is planning that managers of organization decide what is to be done, when it is to be done, how it is to be done, and how has to do it. Decision making is an integral part of planning. It is the process of choosing among alternatives.

Importance of planning

- 1)Minimizes risk and uncertainty
- 2)Leads t success
- 3)Focus attention on the organizations goals
- 4)Facilitates control
- 5)Trains executives

Purpose of planning

- The protective purpose of planning is to minimize risk by reducing the uncertainties surrounding business conditions and clarifying the consequences of related management actions.
- The affirmative purpose is to increase the degree of organizational success.
- The fundamental purpose of planning, however, is to help the organization reach its objectives.
- Ensures Economy in Operations
- Provides for Future Contingency
- Facilitates Optimum Utilization of Resources
- Coordinates the Activities

Types of plans

- Plans are arranged in a hierarchy within the organization. At top of this hierarchy stand objectives. Objectives are the broad ends of the organization which are achieved by means of strategies. Strategies in their turn are carried out by means of the two major groups of plans.
- **Single use plans and standing plans.**
- **Single use plans** are developed to achieve a specific end and when the end is reached the plan is dissolved. The two major types of plans are single use plans are programmers and budgets.
- **Standing plans** on the other hand are designed for situations that recur often to justify the standardized approach. For example, it would be inefficient for a bank to develop a single use plan for processing a loan application for each new client, instead it uses one standing plan that anticipates in advance whether to approve or turn down the request based on the information furnished, credit rating, etc. the major types of plans are policies, procedures methods and rules.