

Management: Management is the working with human, financial and physical resources to achieve organizational objectives by performing the planning, organizing, leading and controlling functions.

Principles of Scientific management

1. Workers feared that if they increased their productivity, other workers would lose their jobs.
2. Faulty wage systems employed by the organization encouraged them to work at a slow pace.
3. Outdated methods of working handed down from generation to generation led to a great deal of wasted efforts.

Steps of Scientific Management

1. Develop a science for each element of an individual's work, which replaces the old rule-of-thumb method.
2. Scientifically select and then train, teach, and develop the worker. (Previously, workers chose their own work and trained themselves as best they could.)
3. Heartily cooperate with the workers so as to ensure that all work is done in accordance with the principles of the science that has been developed.
4. Divide work and responsibility almost equally between management and workers. Management takes over all work for which it is better fitted than the workers. (Previously, almost all the work and the greater part of the responsibility were thrown upon the workers).

Limitations of scientific management

Scientific management has provided many valuable insights in the development of management thought. In spite of the numerous contributions it made, there are a few limitations of scientific management. They are:

1. The principles of scientific management revolve round problems at the operational level and do not focus on the management of an organization from a manager's point of view. These principles focus on the solutions of problems from an engineering point of view.
2. The proponents of scientific management were of the opinion that people were "rational" and were motivated primarily by the desire for material gain. Taylor and his followers overlooked the social needs of workers and overemphasized their economic and physical needs.
3. Scientific management theorists also ignored the human desire for job satisfaction. Since workers are more likely to go on strike over factors like working conditions and job content (the job itself) rather than salary, principles of scientific management, which were based on the "rational worker" model, became increasingly ineffective.

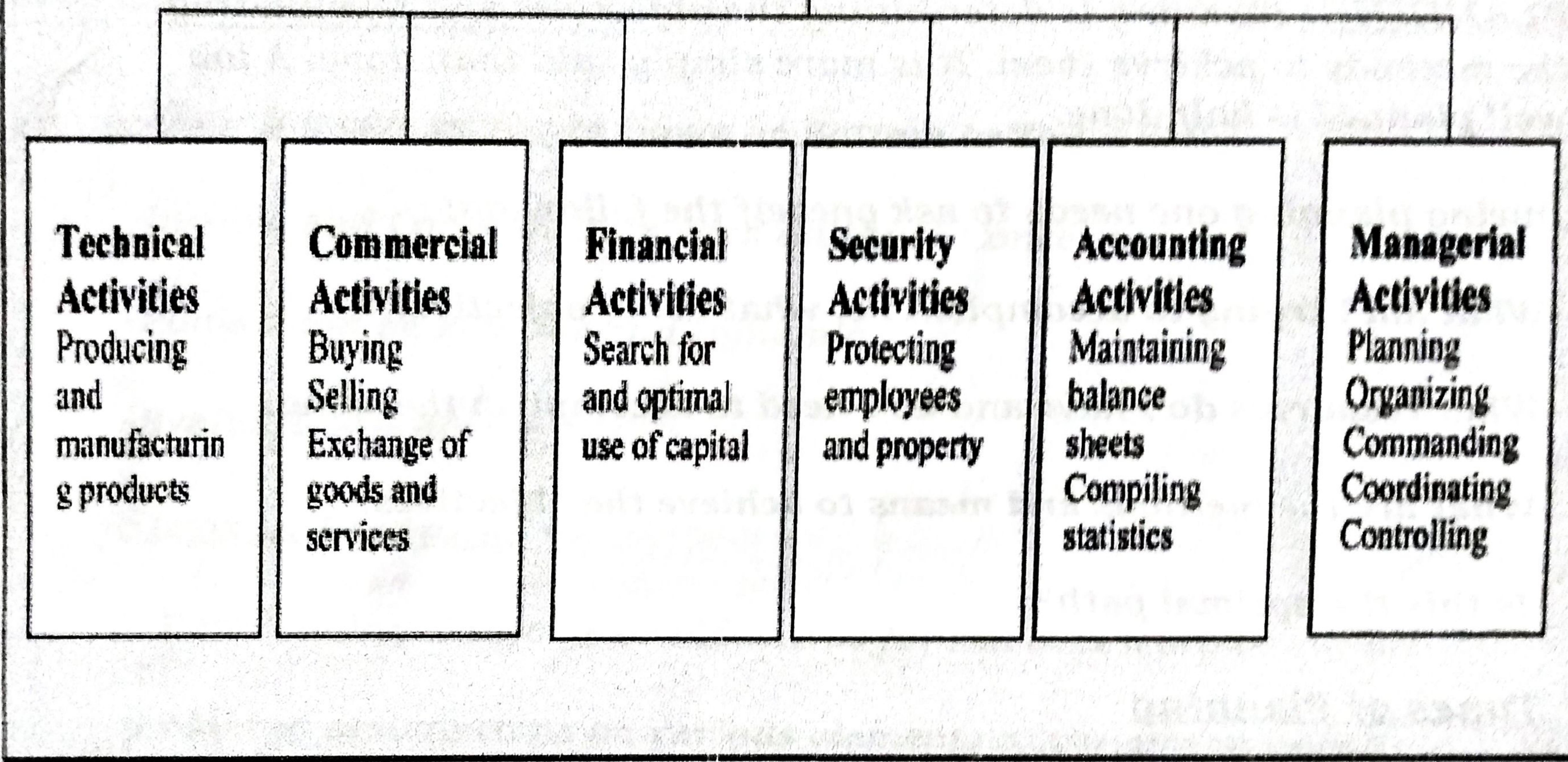
Administrative theory

The administrative management theory - focused on principles that could be used by managers to coordinate the internal activities of organizations. The most prominent of the administrative theorists was Henri Fayol.

Fayol believed that "with scientific forecasting and proper methods of management, satisfactory results were inevitable."

According to Fayol, "the business operations of an organization could be divided into six activities".

Business Operations



Principles of Administrative Theory

Four vital principles (out of 14, General & Industrial Management, Henri Fayol):

- a) ***unity of command (each subordinate receives orders from one and only one superior)***
- b) ***division of work (based on specialization)***
- c) ***unity of direction (groping similar activities under one manager)***
- d) ***scalar chain (chain of authority extends from the top to the bottom and should include all employees)***

FUNCTIONS OF MANAGEMENT

- 1. PLANNING**
- 2. ORGANIZING**
- 3. STAFFING**
- 4. DIRECTING**
- 5. CONTROLLING**

PLANNING: Planning is determining the objectives and formulating the methods to achieve them. It is more simply said than done. A job well planned is half done.

During planning one needs to ask oneself the following:

- What am I trying to accomplish i.e. what is my objective?
- What resources do I have and do I need to accomplish the same?
- What are the methods and means to achieve the objectives?
- Is this the optimal path?

Types of Planning

- / **Purposes or missions or Objectives-** It is the ultimate goal towards which the activities of the organization are directed. ✓
- / **Strategies-** general program of action and deployment of resources.
- / **Policies-** general statement or understanding which guide or channel thinking in decision making. ✓
- / **Procedures-** states a series of related steps or tasks to be performed in a sequential way. ↴
- / **Rules-** prescribes a course of action and explicitly states what is to be done. ↴

Programs- comprehensive plan that includes future use of different resources.

Budgets- statement of expected results expressed in numerical terms.

Principles of Planning

-Take Time to Plan

-Planning can be Top to Down or Bottom to Top

-Involve and Communicate with all those Concerned

-Plans must be Flexible and Dynamic

-Evaluate and Revise

Steps in Planning :-

1. Determining the goals or objectives for the entire organization.

2. Making assumptions on various elements of the environment.

3. To decide the planning period.

4. Examine alternative courses of actions.

5. Evaluating the alternatives.

6. Real point of decision making

7. To make derivative plans.

WHAT MAKE MANAGERS SUCCESSFUL?

- Hard work
- Smart work
- Patience
- Out of box thinking
- Reading and acquiring knowledge
- Ethical consciousness
- Collaborative relationship
- Perseverance

MANAGER'S ROLES

1. Interpersonal role
2. Informational role
3. Decisional role

INTERPERSONAL ROLE

Figurehead- ethical guidelines and the principles of behavior employees are to follow in their dealings with customers and suppliers ✓

Leader- give direct commands and orders to subordinates and make decisions

Liaison- coordinate between different departments and establish alliances between different organizations ✓

INFORMATIONAL ROLE

Monitor- evaluate the performance of managers in different functions.

Disseminator- communicate to employees the organization's vision and purpose.

Spokesperson- give a speech to inform the local community about the organization's future intentions.

DECISIONAL ROLE

Entrepreneur- commit organization resources to develop innovative goods and services.

Disturbance handler- to take corrective action to deal with unexpected problems facing the organization from the external as well as internal environment.

Resource allocator- allocate existing resources among different functions and departments.

Negotiator- work with suppliers, distributors and labor unions.

Organization: is a collection of people working together under a division of labor and a hierarchy of authority to achieve a common goal.

Classification of organization

The organizations can be classified on the basis of their objectives may be the following:

1. Business organizations:

They formed into organizations for earning profits. Companies, partnership firms, sole trading firms are organised along these lines with a profit motive to survive against competition, future expansion and development.

2. Government organizations:

Such organizations serve for the satisfaction of the people and their welfare. They exercise some measure of control. Central and State government undertakings, local bodies etc., come under this category.

3. Protective organizations:

Organizations which protect the citizens from threats and dangers. Example of such organizations are polices, military fire brigades, navy and air force services which shield citizens and the country from danger.

4. Service organizations:

They include voluntary organizations formed for promoting social welfare activities in the country. They are non-profit social organizations.

5. Political organizations:

They seek to elect a member of their group to public office of the country (parliament or legislative body). Political parties, groups and associations come under this category.

6. Religious organizations:

They serve for the attainment of spiritual needs of members and try to convert non-believers to their faith. Churches, mosques, temples, etc. come under this category.

→ People friendly

7. Associative organizations:

They satisfy the needs of people to make friendships and to have contact with others who have competitive interests. Clubs, teams, fraternities, etc., come under this category.

8. Educational organizations:

They include schools, colleges, universities, institutes, etc. committed to promote education and knowledge.

Objectives of organization

1. Defining the agency's mission and objectives

2. Establishing policies and plans.

3. Clarifying the activities necessary to meet the objectives.

4. Organizing for best utilization of available human and material resources.

5. Delegating the responsibility and authority to appropriate personnel

6. Grouping personnel vertically & horizontally through information & authority relationships.

Informal & formal organization structures :

1) INFORMAL ORGANIZATION:

-Personal and social relationships do not appear on the organizational chart.

- Based on personal relationships rather than positional authority

- Provides social satisfaction, & may gain recognition

- Informal authority is not commanded through organizational assignment.

- Authority comes from the follower's natural respect for a colleague's knowledge and abilities

- Provides social control of behavior

FORMAL ORGANIZATION:

- Executive decision as a result of planning.

- The relationships among people and their positions can be diagrammed.

- Describes positions, task responsibilities and relationships

Performance Appraisal: (PA)

A performance appraisal is a regular review of an employee's job performance and overall contribution to a company. A performance appraisal evaluates an employee's skills, achievements and growth, or lack thereof. Companies use performance appraisals to give employees big-picture feedback on their work and to justify pay increases and bonuses, as well as termination decisions.

Importance Of Performance Appraisal (PA)

1. *Performance appraisal helps supervisors to assess the work performance of their subordinates.*
2. *Performance appraisal helps to assess the training and development needs of employees.*
3. *Performance appraisal provides grounds for employees to correct their mistakes, and it also provides proper guidance and criticism for employee's development.*
4. *Performance appraisal provides reward for better performance.*
5. *Performance appraisal helps to improve the communication system of the organization*
6. *Performance appraisal evaluates whether human resource programs being implemented in the organization have been effective.*
7. *Performance appraisal helps to prepare pay structure for each employee working in the organization.*
8. *Performance appraisal helps to review the potentiality of employees so that their future capability is anticipated.*

Limitations of Management By Objectives: (MBO)

- Over-emphasized settings of goals
- Under-emphasized importance of the environment (including availability and quality of resources)
- Unclear criteria for responding obstacles and constraints

Job Evaluation: Job evaluation is a systematic and orderly process of determining the worth of a job in relation to other jobs.

Purposes of job evaluation:

1. It helps in devising an acceptable wage.
2. It helps in proper placement of workers in job.
3. It helps the personnel department to recruit the right person for a job since requirement of each job are clearly indicated.
4. It helps in formulating the internal training plan.
5. It helps to avoid wage and other discrimination for similar jobs in same organization or a group of organizations under the same management.

Recruitment: Recruitment is the process of finding and attracting capable applicants for employment.

B - PART

An overview of recruitment process:

Recruitment planning

- Number of contacts needed
- Job specification
- Affirmative action plan

Recruitment strategy development

- where/whom to recruit
- How to recruit
- Choice of recruiters
- What information to share

Recruitment activities

- Job posting
- Advertisement
- Recruitment method(s)
- Follow-up actions
- Record keeping

Satisfactory pool of recruits

Steps in Selection Process:

Step 1: preliminary reception of applicants

Step 2: employment tests

Step 3: selection interview

Step 4: references and background checks

Step 5: medical evaluation

Step 6: supervisory interview

Step 7: realistic job previews

Step 8: hiring decision

Wage: a payment usually of money for labor or services usually according to contract and on an hourly, daily, or piecework basis is known as wage.

Incentive: something that encourages a person to do something(bonus).

Maths of HP

Halsey plan:

- A minimum base wage is guaranteed
- An additional bonus is given to worker who exceeds standard output level (50-50 sharing)
- Output standard is based on previous records of production

$$W = (R \times T) + (P/100) (S - T) \times R$$

For 50-50 plan,

$$W = (R \times T) + (S - T) \times R/2$$

Where,

R = hourly wage rate

T = actual time taken to complete the job and

S = standard time or allowed time

Example of Halsey plan

Hourly wage rate = 10 Tk.

Standard time = 5 hrs.

Situation 1:

Actual time taken by a worker = 4 hrs

Therefore, $W = (10 \times 4) + (5 - 4) \times 10/2 = 45 \text{ Tk}$

Wage rate per hour = $45/4 = 11.25 \text{ Tk}$

Situation 2:

Actual time taken by a worker = 6 hrs

Therefore, $W = (10 \times 6) + (5 - 6) \times 10/2 = 55 \text{ Tk}$

Wage rate per hour = $55/6 = 9.16 \text{ Tk.}$

Situation 3:

Actual time taken by a worker = 5 hrs

$$\text{Therefore, } W = 10 \times 5 + (5 - 5) \times 10/2 = 50$$

Wage rate per hour = 10 Tk

MOTIVATION

Motivation refers to the forces either within or external to a person that arouse enthusiasm and persistence to pursue a certain course of action.

Maslow's needs hierarchy

Fulfillment off the job	Needs hierarchy	Fulfillment on the job
Education, religion, hobbies, personal growth	<u>Self actualization</u> (Personal development, Creativity)	Opportunity for training, advanced growth
Approval of family, friends..	<u>Egotistic</u> (Self-esteem, Status, Recognition)	Recognition, high status
Family, friends, community	<u>Social</u> (Belonging to group, Being accepted, Friendship)	Working groups
Freedom of threats	<u>Safety</u> (Security, Free from danger)	Safe work, fringe benefit, Job security
Food, water	<u>Physiological</u> (Hunger, Thirst, Sleep)	Heat, air , salary

Comparison of Maslow's & Herzberg's theories

Maslow's hierarchy of needs

- Self fulfillment
- Personal development

- Egoistic
- Self-esteem

- Social needs
- Belonging

- Safety
- Security

- Physiological needs

Herzberg's motivational-maintenance model

- | | |
|----------------------------|--------------------|
| The work itself | Motivation |
| Achievement | |
| Opportunity for growth | |
| Responsibility | Maintenance |
| Recognition | |
| Status | |
| Relations with supervisors | |
| Peer relations | |
| Quality of supervision | |
| Job security | |
| Working conditions | |
| Company policy | |
| Wages | |

Production Plan

Production planning is deciding how to go about producing a particular product. This includes deciding what product to produce, when to produce it, what resources are required for producing it, scheduling these resources for production, etc.

Importance of production plan:

- 1. Better Service to Customers**
- 2. Fewer Rush Orders**
- 3. Better Control of Inventory**
- 4. More Effective Use of Equipment**
- 5. Reduced Idle Time**
- 6. Improved Plant Morale**
- 7. Good public image**
- 8. Lower capital requirements**

Objectives of Production Planning:

1. To achieve coordination among various departments relating to production.
2. To make adequate arrangement of men, money, materials, machines tools, implements and equipment relating to production.
3. To decide about the production targets to be achieved by keeping in view the sales forecast.
4. To keep production operation continuous.
5. To achieve desired share of the market.
6. To fix right type of man for right type of job.
7. To achieve the desired level of profit.
8. To make all arrangements to remove possible obstacles in the way of smooth production.
9. To achieve economy in production cost and time.
10. To initiate production on modern lines.
11. To operate the plant at planned level of efficiency.
12. To develop alternative plans in order to meet any emergency or contingency.

Marketing management

Marketing management is the organizational discipline which focuses on the practical application of marketing orientation, techniques and methods inside enterprises and organizations and on the management of a firm's marketing resources and activities.

Concept of social marketing:

The Societal Marketing Concept puts the Human welfare on top before profits and satisfying the wants.

Societal Marketing emphasizes on social responsibilities and suggests that to sustain long-term success, the company should develop a marketing strategy to provide value to the customer's to maintain and improve both the customers and society's well being better than the competitors.

Societal marketing concept that holds that a company should make good marketing decisions by considering consumer's wants, company's requirements, and society's long-term interests.

Companies should balance three considerations in setting their marketing strategies: company profits, the consumer wants, and society's interests.

CRM or Customer Relationship Management

Customer Relationship Management is a strategy for managing an organization's relationships and interactions with customers and potential customers. A CRM system helps companies stay connected to customers, streamline processes, and improve profitability.

Quality management is the act of overseeing all activities and tasks needed to maintain a desired level of excellence. This includes the determination of a quality policy, creating and implementing quality planning and assurance, and quality control and quality improvement.

Role/Activities of quality management

- ❖ Increase the customer satisfaction.
- ❖ Increase the production of processes.
- ❖ Decrease the risk in any process involved.
- ❖ To determine the areas of improvement and document them.
- ❖ Ensure that procedures conform to legislation.
- ❖ Develop new plans to improve the existing quality system

Quality management system

A quality management system (QMS) is a set of policies, processes and procedures required for planning and execution (production/development/service) in the core business area of an organization (i.e., areas that can impact the organization's ability to meet customer requirements). ISO 9001 is an example of a Quality Management System.

Difference between science and technology

Basis for Comparison	Science	Technology
Meaning	<i>Science is a methodical way of gaining knowledge on a particular subject, through observation and experiments.</i>	<i>Technology alludes to the practical application of the scientific knowledge for various purposes.</i>
What is it?	<i>It is the process of exploring new knowledge.</i>	<i>It is the use of laws of science to create new products.</i>
Effect	<i>It is useful</i>	<i>It can be useful or harmful.</i>
Change	<i>Does not changes.</i>	<i>Changes continuously</i>
Stresses on	<i>Discovery</i>	<i>Invention</i>
Deals with	<i>Study of structure and behavior of natural and physical world, to create premises.</i>	<i>Putting those premises into practice.</i>
Method of evaluation	<i>Analysis, deduction and theory development</i>	<i>Analysis and synthesis of design.</i>
Use	<i>Used to make predictions</i>	<i>Simplify the work and fulfill the needs of people.</i>

Safety: The condition of being protected from or unlikely to cause danger, risk, or injury.

Accident: An unfortunate incident that happens unexpectedly and unintentionally, typically resulting in damage or injury.

Hazard: A hazard is an agent which has the potential to cause harm to a vulnerable target.

Risk: A situation involving exposure to danger.

Accident causing factors

- **human factors/personnel error**
- **malfunction or failure of aircraft structures, engines, or other systems**
- **deficient maintenance**
- **hazardous environment involving weather, volcanic ash, birds, etc.**
- **air traffic management errors**
- **any combination of the above**