

UNIT-1

Got it — I'll now give you the **entire Unit I notes (Introduction to Management and Organizations)** as **one complete detailed document**



UNIT I – INTRODUCTION TO MANAGEMENT AND ORGANIZATIONS

1. Definition of Management

- **Meaning:**

Management is the process of **planning, organizing, staffing, directing, and controlling** organizational resources (human, financial, physical, informational) to achieve goals **efficiently** (minimum resources) and **effectively** (desired results).

- **Key Functions:**

1. **Planning**

- Deciding in advance *what, when, how, who* will do tasks.
- Reduces uncertainty, provides direction.
- Example: Launching a new product with a marketing plan.

2. **Organizing**

- Structuring resources and activities.
- Example: Creating departments for HR, Finance, Marketing.

3. **Staffing**

- Recruiting, training, placing right people in right jobs.
- Example: IT firm hiring freshers & training them.

4. **Directing**

- Guiding, motivating, leading employees.
- Elements: Supervision, Motivation, Leadership, Communication.

5. **Controlling**

- Set standards → Measure actual → Compare → Correct deviations.
 - Example: Comparing sales targets vs achievements.
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2. Management – Science or Art?

- **As an Art:**
 - Involves creativity, judgment, intuition.
 - Result-oriented and personalized.
 - Example: Steve Jobs combining tech + design.
 - **As a Science:**
 - Systematic knowledge, tested principles, universal application.
 - Tools: ROI, Budgeting, PERT/CPM.
 - **Conclusion:** Management is **both** — science (knowledge base) and art (skillful application).
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3. Manager vs Entrepreneur

Aspect	Entrepreneur	Manager
Motive	Create new venture, innovate.	Run existing business efficiently.
Status	Owner	Employee.
Risk	Bears risks & uncertainty.	Avoids risk (fixed salary).
Reward	Profit (uncertain).	Salary (certain).
Innovation	Change-agent, creator.	Executor of plans.
Qualification	Risk-taking, foresight, originality.	
	Knowledge of management practices.	

Example:

- Elon Musk (entrepreneur) vs Tim Cook (professional manager).
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4. Types of Managers

By Functional Role

- Purchase Manager → raw materials.
- Production Manager → manufacturing process.
- IT Manager → software & tech systems.
- Marketing Manager → advertising, promotions.
- Sales Manager → achieving sales targets.
- Finance Manager → budgets, capital.
- HR Manager → recruitment, payroll, training.
- Product Development Manager → innovation, R&D.

By Management Style

1. **Authoritarian:** Sole decision maker, strict. (e.g., Military leaders).
2. **Democratic:** Participative, consults team (e.g., Google).
3. **Paternalistic:** Parent-like, caring.
4. **Laissez-faire:** Freedom to subordinates, only sets goals (e.g., Startups).
5. **Problem-solving:** Focuses on crisis handling.
6. **Pitchfork:** Uses fear, pressure for results.
7. **Pontificating:** No fixed strategy, inconsistent.
8. **Presumptuous:** Ego-driven, self-focused.
9. **Perfect:** Knowledge-heavy, but poor soft skills.
10. **Passive:** Too soft, avoids conflicts.
11. **Proactive:** Balanced, adaptable — *ideal manager*.

5. Managerial Roles and Skills

A. Managerial Roles (Mintzberg)

1. Decisional Roles

- **Entrepreneur:** Initiates innovation (e.g., CEO launching new product line).

- **Disturbance Handler:** Resolves crises (e.g., airline manager during strikes).
- **Resource Allocator:** Decides budget, staff, equipment distribution.
- **Negotiator:** Deals with unions, suppliers, or partners.

2. Interpersonal Roles

- **Figurehead:** Symbolic leader in ceremonies.
- **Leader:** Guides and motivates subordinates.
- **Liaison:** Builds networks inside & outside organization.

3. Informational Roles

- **Monitor:** Collects data (market trends, competitor actions).
 - **Disseminator:** Shares information with employees.
 - **Spokesperson:** Represents company to outsiders.
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B. Managerial Skills

1. Technical Skills

- Specialized knowledge of field.
- Needed more at **lower levels**.
- Example: IT manager skilled in coding.

2. Human Skills

- Ability to work with people, communication, conflict resolution.
- Needed at **all levels**.
- Example: HR resolving disputes.

3. Conceptual Skills

- Big-picture thinking, strategic vision.
 - Needed most at **top level**.
 - Example: CEO planning global expansion.
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6. Evolution of Management Thought

1. Classical Approach

- **Taylor (Scientific Management):** Efficiency, time-motion studies.
- **Fayol (Administrative Management):** 14 principles (unity, division of work, authority, etc.).
- **Weber (Bureaucracy):** Clear hierarchy, rules, impersonality.

2. Behavioral Approach (Human Relations)

- Focus: Psychology, sociology, teamwork.
- Example: Elton Mayo's Hawthorne Studies → morale boosts productivity.

3. Quantitative Approach

- Math & statistics in decisions (OR, Linear Programming, PERT/CPM).

4. Systems Approach

- Organization = Open system (Input → Process → Output).

5. Contingency Approach

- No "one best way." Depends on situation.
 - Example: Flexible style in startups, strict style in military.
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7. Approaches in Detail

- **Taylor's Principles:** Science of work, scientific selection, training, cooperation.
 - **Fayol's Principles:** Division of work, authority, unity of command, equity, stability, esprit de corps, initiative.
 - **Gantt's Contribution:** Gantt charts (production scheduling).
 - **Human Relations Approach:** Importance of employee satisfaction.
 - **System & Contingency:** Interconnected departments, situation-based decisions.
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8. Types of Business Organizations

1. Sole Proprietorship

- Simple, direct profits. Unlimited liability, low capital.

2. Partnership

- More funds, shared skills. Conflicts, limited life.

3. Corporation (Company)

- Limited liability, perpetual life. Expensive, double taxation.

4. Joint Stock Company

- Private Ltd: Limited share transfer.
- Public Ltd: Shares open to public.

5. Public Corporation

- Gov-owned, autonomous (e.g., Indian Railways).

6. Government Company

- Mix of government & private (e.g., ONGC).
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9. Organizational Culture and Environment

A. Meaning

- Organizational culture = “The way people behave & think in an organization.”
 - Shared values, beliefs, assumptions, norms guiding decisions.
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B. Components

- **Values & Beliefs** (e.g., innovation at Tesla).
 - **Norms** (e.g., dress codes, meeting behavior).
 - **Symbols** (logos, office design).
 - **Stories & Heroes** (e.g., Walt Disney at Disney).
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C. Types of Cultures

1. **Innovative** → flexible, risk-taking (e.g., Google).
2. **Aggressive** → competitive, market-driven (e.g., Microsoft 1990s).

3. **Outcome-Oriented** → achievement-focused (e.g., Best Buy).
 4. **Stable** → rule-bound, bureaucratic (e.g., government offices).
 5. **People-Oriented** → fairness, respect (e.g., Zappos).
 6. **Team-Oriented** → cooperation, collaboration (e.g., Southwest Airlines).
 7. **Detail-Oriented** → precision, service excellence (e.g., Ritz-Carlton, McDonald's).
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D. Organizational Environment

- **Internal:** employees, leadership, culture, policies.
 - **External:** economy, competitors, technology, government, society.
 - Example:
 - A *stable culture* may fail in a fast-changing IT sector.
 - A *people-oriented culture* helps in service industries.
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10. Current Trends & Issues in Management

- **Globalization:** Handling cultural diversity, global competition.
 - **Technology & AI:** Data-driven decisions, automation.
 - **CSR & Ethics:** Environment-friendly, socially responsible practices.
 - **Diversity & Inclusion:** Equality in workplace.
 - **Employee Empowerment:** Flexibility, participative decisions.
 - **Sustainability:** Eco-friendly production.
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✓ Final Summary

- Management = Planning, Organizing, Staffing, Directing, Controlling.
- It is both **Art (skills, creativity)** and **Science (principles, knowledge)**.
- **Managers vs Entrepreneurs** differ in ownership, risk, innovation.
- **Types of Managers:** based on function and style (authoritarian, democratic, proactive, etc.).

- **Roles (Mintzberg)**: Decisional, Interpersonal, Informational.
 - **Skills**: Technical, Human, Conceptual.
 - **Evolution**: Classical → Behavioral → Quantitative → Systems → Contingency.
 - **Business Organizations**: Sole, Partnership, Corporation, Joint Stock, Public Corp, Govt. Co.
 - **Culture Types**: Innovative, Aggressive, Outcome-oriented, Stable, People, Team, Detail.
 - **Trends**: Globalization, Technology, CSR, Diversity, Sustainability.
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Would you like me to also **convert these complete notes into a well-formatted PDF** for easy revision and printing?

UNIT-2

Got it  I'll now give you the **entire UNIT II – PLANNING notes (with expanded Topics 8, 9, 10, 11 included)** in one single structured document, just like we did for UNIT I.

UNIT II – PLANNING

1. Nature and Purpose of Planning

Definition

- Koontz & O'Donnell: "*Planning is an intellectual process, the conscious determination of courses of action, the basing of decisions on purpose, facts, and considered estimates.*"

Nature of Planning

1. **Goal-Oriented** – supports organizational objectives.
2. **Primacy of Planning** – first step of management functions.
3. **Pervasiveness** – at all levels (strategic, tactical, operational).
4. **Efficiency, Economy, Accuracy** – best results at minimum cost.
5. **Coordination** – harmonizes all activities.
6. **Limiting Factors** – considers constraints like resources.
7. **Flexibility** – adapts to environment.
8. **Intellectual Process** – requires creativity and analysis.

Purpose

- Clarity of goals, reduces uncertainty, ensures efficiency, coordination, and control, improves productivity and long-term success.
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2. Planning Process

1. Establishing Objectives.
2. Considering Planning Premises (assumptions).
3. Identifying Alternatives.

4. Evaluating Alternatives.
 5. Choosing Best Plan.
 6. Formulating Supporting Plans (budgets, policies).
 7. Establishing Sequence of Activities.
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3. Types of Planning

1. **Strategic Plans** → long-term, top management (mission, objectives, strategies).
 2. **Tactical Plans** → medium-term, middle level (short-term actions).
 3. **Operational Plans** → short-term, daily operations (rules, procedures, budgets).
 - Single-use plans vs Standing plans.
 4. **Contingency Plans** → backup for unexpected events.
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4. Objectives

- Predetermined, realistic, measurable, time-bound.
 - Advantages: encourage unified planning, motivate employees, avoid waste, provide standards for control, connect organization to society.
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5. Setting Objectives

- Review past performance, identify critical areas, ensure realistic and consistent objectives, align with overall organizational survival and prosperity.
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6. Policies

- **Definition:** Broad guidelines for decision-making.
 - **Essentials:** Clear, flexible, fact-based, practical, rule-conforming.
 - **Importance:** Saves time, guides managers, supports delegation, provides consistency.
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7. Planning Premises

- **Definition:** Assumptions about future conditions.
 - **Types:**
 - Internal vs External.
 - Controllable vs Semi-controllable vs Uncontrollable.
 - Tangible vs Intangible.
 - Constant vs Variable.
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8. Strategic Management

Meaning

- Long-term planning to achieve competitive advantage, linking organization with its environment.

Characteristics

- Long-term perspective, environment-oriented, top management-driven, risk-bearing, action-oriented, dynamic.

Strategic Planning Process

1. Inputs.
2. Industry analysis (Porter's Five Forces).
3. Enterprise profile (purpose, scope).
4. Executive vision & values.
5. Mission statement.
6. Objectives & intent.
7. External environment analysis (opportunities & threats).
8. Internal environment analysis (strengths & weaknesses).
9. Strategic alternatives.
10. Evaluation & choice.
11. Implementation (structure, leadership, policies).
12. Control & feedback.

Porter's Generic Strategies

1. **Cost Leadership** → low-cost producer (Walmart).
 2. **Differentiation** → unique offering (Apple).
 3. **Focus** → niche strategy (Rolex).
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9. Planning Tools and Techniques

Major Tools

1. **VMOST** → Vision, Mission, Objectives, Strategy, Tactics.
 2. **SWOT** → Strengths, Weaknesses, Opportunities, Threats.
 3. **PEST** → Political, Economic, Social, Technological.
 4. **SOAR** → Strengths, Opportunities, Aspirations, Results.
 5. **Boston Matrix (BCG)** → Stars, Cash Cows, Question Marks, Dogs.
 6. **Porter's Five Forces** → Suppliers, Buyers, Substitutes, New Entrants, Rivalry.
 7. **Maturity Models** → from chaotic → proactive → value-driven.
 8. **Root Cause Analysis (RCA)** → identify real cause of problems.
 9. **Forecasting** → sales, demand, market prediction.
 10. **Scenario Planning** → multiple future outcomes.
 11. **Benchmarking** → compare with best practices.
 12. **Staff Planners** → specialists assisting managers.
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10. Decision Making

Meaning

- Choosing the best alternative among options to solve problems or exploit opportunities.

Characteristics

- Goal-oriented, alternatives available, intellectual process, involves uncertainty, continuous activity.

Types

1. **Programmed Decisions** → routine, structured (e.g., leave approval).

2. **Non-Programmed Decisions** → unique, innovative (e.g., launching new product).
3. **Strategic Decisions** → long-term, top-level (e.g., global expansion).
4. **Tactical Decisions** → short-term, middle-level (e.g., monthly advertising budget).

Process

1. Define objectives.
2. Identify problem.
3. Diagnose causes.
4. Search alternatives.
5. Evaluate options.
6. Choose best solution.
7. Implement.
8. Review results.

Conditions

- **Certainty:** outcomes known (FD investments).
- **Risk:** probabilities known (insurance).
- **Uncertainty:** future unknown (new tech).

Rational Decision-Making Model

1. Define problem.
2. Identify criteria.
3. Weight criteria.
4. Generate alternatives.
5. Rate each.
6. Select best option.

11. Management by Objectives (MBO)

Meaning

- System where managers and employees jointly set objectives, responsibilities, and use them to measure performance.
- Introduced by **Peter Drucker (1954)**.

Features

- Participative goal-setting.
- Focus on results (outputs).
- Hierarchical linking of objectives.
- Standards for evaluation.
- Encourages motivation and self-control.

Process

1. Setting goals.
2. Developing action plans.
3. Monitoring progress.
4. Performance appraisal.

Advantages

- Motivates employees.
- Ensures clarity and coordination.
- Improves communication.
- Provides measurable standards.
- Encourages innovation.

Limitations

- Over-focus on goal-setting.
- Time-consuming.
- May ignore long-term vision.
- Rigid in changing environments.

Example

- Infosys sales team sets revenue targets jointly with management; performance measured quarterly, linked with rewards.

Final Summary (UNIT II – PLANNING)

- **Planning** = foundation of management, provides direction, reduces uncertainty.
 - **Types**: Strategic, Tactical, Operational, Contingency.
 - **Objectives** = benchmarks for performance.
 - **Policies** = broad guidelines for action.
 - **Premises** = assumptions about future.
 - **Strategic Management** = long-term, environment-oriented, Porter's strategies.
 - **Planning Tools** = SWOT, PEST, VMOST, SOAR, BCG, Five Forces, Benchmarking, Forecasting.
 - **Decision Making** = programmed vs non-programmed, certainty vs risk vs uncertainty.
 - **MBO** = participative goal-setting system, improves motivation, coordination, but can be rigid and time-consuming.
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Would you like me to now **merge UNIT I and UNIT II into a single neatly formatted PDF** (with headings, tables, and flowcharts for quick revision)?