**INDUSTRIAL MANAGEMENT**

**I unit-**

**Introduction :** Concept, Development, application and scope of Industrial Management.

**Productivity :** Definition, measurement, productivity index, types of production system, Industrial Ownership.

**MANAGEMENT**–

Traditional Author says that management is an art of getting things done through people where as modern authors says that management is a process of accomplishing certain objectives through the utilization of human and other resource.

**MANAGEMENT FUNCTIONS**

PLANNING ORAGANISING DIRECTING

STAFFING

**IMPORTANCE OF MANAGEMENT**

For the accomplishment of the goals.

For effective utilization of the resources. Sound Organization.

Providing vision &Foresight. For the harmony in work.

To help employees in achieving personal objective. Development of the society and nation.

**INDUSTRIAL MANGEMENT**

Industrial management is now a branch of engineering which facilitates creation of management system and integrates same with people and their activities to utilize the resources.

Industrial management is structured approach to mange the operational activities of the organization.

**SCOPE OF INDUSTRIAL MANGEMENT**

* 1. Related to Designing of the production system.(see notes)
  2. Relating to analysis & control of production operation.(see notes)

**APPLICATION OF THE INDUSTRIAL MANGEMNT**

1. **Planning Function**

For Designing Conversion System For Scheduling Conversion System

IM 1

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1. **Organizing Function**

Organizing for conversion

Structuring of Operation Staffing Job & Work Design.

For Production & Operation Standard. For Payment system.

1. **Controlling Function**

Quality Quantity Time

Inventory Cost

Maintenance

**PRODUCTIVITY**

Production is transformation of inputs into the output of commodity in a specific period of time with the given technology.

Production implies the creation of form, place and time utilities of different usable commodities and service.

Productivity measures the efficiency of the production system. Or productivity may be defined as ratio between output and input.

Output means the amount produced or the number of items produced.

Input are the various sources employed like land. Building, equipment, machinery, material, labor, etc

**Output**

**Productivity** =

**Input**

**PRODUCTIVITY INDEX**

**Performance Achieved (Effectiveness)**

**PRODUCTIVITY INDEX=**

**Input Resources Consumed (Efficiency)**

Efficiency is the ratio of actual output attained to the standard expected output. It measures of how well the resources are utilized to accomplish the target or result.

Effectiveness is the degree of accomplishing the objectives

IM 2

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**Production System**

The production system can be viewed as a framework or skeleton of activities within which the creation of value can occur.

The difference between the value of input and the value of output represent the value created through production activities.

At the one end of the production system are the input and at the other end are output.

Connecting the input and output are a series of operations or processes, storage and inspections represent the simplified production system.

**PRODUCTION SYSTEM**

**Input** **Receiving Reports**

**Row material** **Inventory Reports**

**Operation - 1** **Schedules**

**Production Manager**

**Operation – 2** **Route Sheets**

**Production Reports**

**Operation – 3** **Time and Cost Record**

**Final inspection  Inspection Reports**

**Finished goods storage Inventory Reports**

**Output  Shipping Orders**

**INPUT OUTPUT MODEL (ANALYSIS OF PRODUCTION SYSTEM)**

It is one of the basic models of the production system.

Production system is the set of interconnected input output element.

It is made up of three component parts namely – Input, Output and Process. A wide variety of inputs are transformed so that they give out a set of output.

The transforming process can be complicated and the design of an actual input and output system for manufacturing may be expensive and difficult.

IM 3

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MATERIAL

|  |  |  |
| --- | --- | --- |
| MEN | PLANT & | GOODES & SERVICES |
|  |
|  | FACILITIES |  |
|  |  |  |
| ENERGY |  |  |
|  |  |  |

|  |  |  |
| --- | --- | --- |
|  |  |  |
| INPUT | PRODUTION PROCESS | OUTPUT |
| INPUT | PRODUTION |  |
|  | PROCESS | OUTPUT |
|  |  |  |
|  |  |  |

**Purpose to Increase Productivity:**

**FOR MANAGEMENT**

To produce good earning (profit).

To clear the debt or loans acquired from different sources. To sell more.

To stand better in the market.

**FOR WORKERS**

HIGHER WAGES.

Better Working Conditions. Higher standard of living.

Job Security and Satisfaction

**FOR CUSTOMER**

To reduced price of the article.

IM 4

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**INDUSTRIAL OWNER SHIP**

Sole Proprietorship State & Central Govt .

Partnership Joint Stock Company Co – operative Organization

**Sole Proprietorship**

Sole Proprietorship is that form of Industrial ownership in which Individual Exercise & enjoy all rights related to business in his own interest.

**Merits –**

Easy Formation Easy to Operate Secrecy

Simplicity

**Demerits**

Limited Resources Lack of Continuity Unlimited Liability

Limited Managerial Ability

**Partnership**

Partnership may be defined as the relation between person who has agreed to share the profits of a business carried on by all or any of them acting for all.

**Merits**

Legal Entity Risk Sharing More Funds Continuity

Mutual Agency

**Demerits**

Unlimited Liability

IM 5

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Limited Resources

Possibility Of Conflict Lack of Public Interest

**Joint Stock Company**

A joint stock Company means an association of several people who contributed money or moneys worth to a joint or common stock & employ it in same business & share among themselves the profit or loss arising from it.

**Merits**

Limited Liability

Transfer of Interest Perpetual Existence

Scope for Management

Professional Management

**Demerits**

Complexity in Formation Lack of Secrecy

Impersonal Work Environment Numerous Regulation

Delay In Decision Making

**Co – Operative Undertaking**

The Co – Operative society is voluntary association of person, who join together with the motive of welfare of the members and society.

**Merits**

Limited liability

Economy in Operation

Support From Government Stable Existence

Ease of Formation

**Demerits**

Limited Resources

Inefficiency in Management Lack Of Secrecy

Government Control Difference Of Opinion