# Introduction to Management

Mgt. is the process of designing and maintaining an environment in which individuals working together in groups, effectively and efficiently accomplish selected items.

- As Managers, people carry out the managerial functions of planning, organizing, staffing, leading and controlling.
- Mgt. applies to any kind of organization.

- It applies to managers at all organizational levels.
- The aim of all managers is the same: to create a surplus.
- Managing is connected with productivity: that implies effectiveness and efficiency.

# (WHAT IS MANAGEMENT?)

#### **Production or Efficiency**

John Mee: The art of securing maximum results with minimum effort so as to secure maximum prosperity and happiness for both employer and employee and give the public the best possible service.

#### **Decision Oriented**

Stanley Vance: The process of decision making and control over the action of human beings for the expressed purpose of attaining pre-determined goals.

#### **People Oriented**

Lawrence Appley: Accomplishment of results through the efforts of other people.

Koontz: The art of getting things done through and with people in formally organized groups.

#### **Function Oriented**

McFarland: Conceptual, theoretical and analytical purposes as that process by which managers create, direct, maintain and operate purposive organizations through systematic, coordinated, cooperative human efforts.

Henry Fayol: To manage is to forecast and to plan, to organize, to coordinate and to control.

In general, Mgt. is a process involving planning, organizing, staffing, directing and controlling human efforts to achieve stated objectives in an organization.

#### Classification of Mgt. Functions

Fayol: Planning, Organizing, Commanding, Coordination, Control.

Ralph Davis: Planning, Organizing and Control.

**Luther Gulik: POSDCORB** 

G. R. Terry: Planning, Organizing, Actuating & Controlling

Koontz & 'O" Donnell: Planning, Organizing, Staffing, Directing, and Controlling.

# **Important Terms**

Organization: Two or more people who work together in a structured way to achieve a specific goal or set.

Goal: The purpose that an organization strives to achieve.

Management: The art of planning, organizing, leading and controlling the work of organization members and of using all available organizational resources to reach stated organizational goals.

Manager: People responsible for directing the efforts aimed at helping organizations achieve their goals.

# **Concept of Management**

a. Mgt. as an art of getting things done.

Mary Parker Follett has defined mgt. as the art of getting things done through others.

# Way to Manage :-

Decision-making

**Organizing** 

**Staffing** 

**Motivation** 

Leading of subordinates

#### b. Management as a process

Effective utilization of human and material resources to achieve enterprise objectives.

#### **George R. Terry**

Mgt. is a distinct process consisting of activities of planning, organizing, actuating and controlling, performed to determine and accomplish stated objectives with the use of human and other resources.

Input

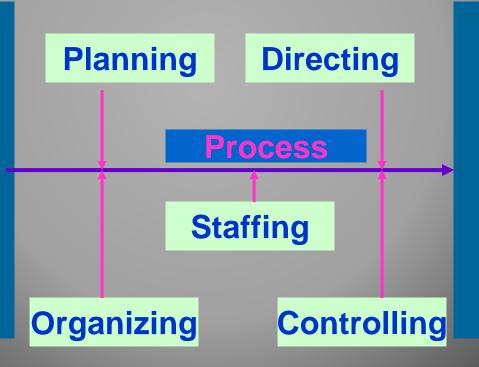
**Management Functions** 

**Process of Management** 

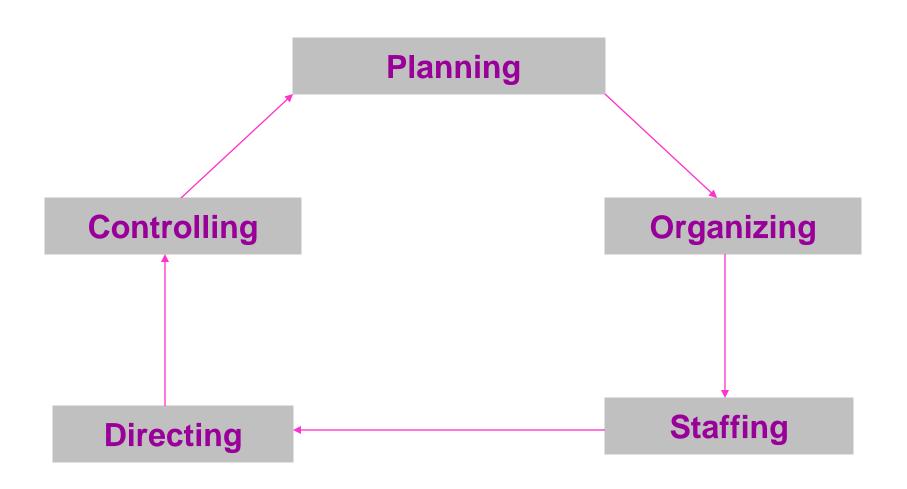
**Output** 

Six M's

- Manpower
- Material
- Methods
- Money
- Machine
- Market



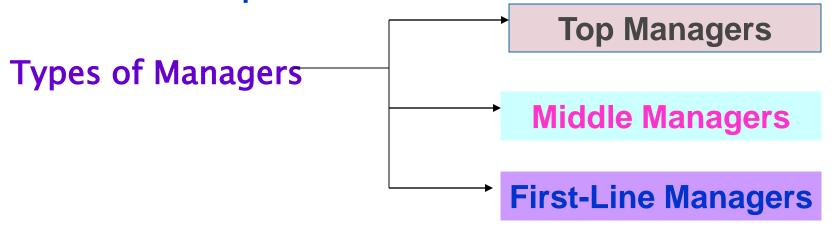
Goods and Services



#### Manager

The term manager to mean any one who is responsible

for carrying out the four main activities (Planning, Organizing, Leading, Controlling) of management in relationships over time.



## **Functional and General Managers**

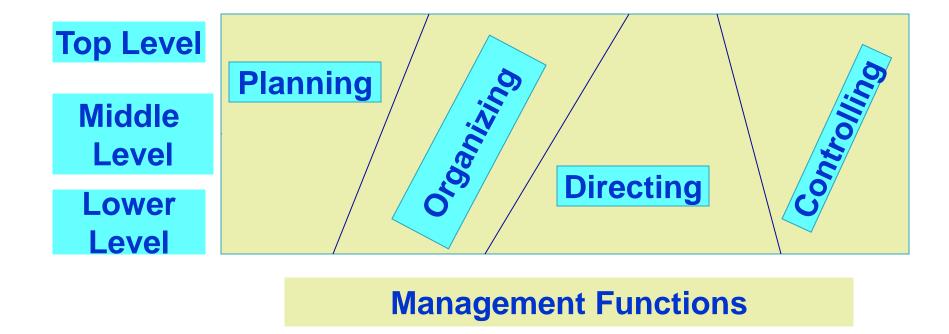
Functions: A classification referring to a group of similar activities in an organization, such as Marketing, Production, HR, Finance.

- Functional Manager
- General Manager

# According to James A. Stoner, Managers perform the following activities:

- Managers work with and through other people
- Managers bear the final responsibility for results
- Managers balance competing goals and set priorities
- Managers think analytically and conceptually
- Managers make difficult decisions and assume risks

# Mgt. Functions Vs. Mgt. Levels



#### Qualities of a Manager

- Education
- Training
- Intelligence
- Leadership
- Foresight (Open mind and receptive to new ideas)

- Maturity
- -balanced temperament
- Technical Knowledge
- Human Relations
- Self-confidence

# Managerial Roles (Henry Mintzberg)

1.Interpersonal roles

a- Figurehead
..Signing
documents

..Officially receiving visitors

..Honours

b-Leader

..Motivates

..Inspires

.. Judging of subordinates

#### c-Liaison

- .. Govt.
- .. Industry groups
- .. Community
- .. Suppliers
- .. Other organizations

#### 2. Informational Roles

Monitors – (Observes, collects, reviews)

Disseminator-(Transmits information and judgments

about internal and external environments)

Spokesperson

#### 3. Decisional Roles

- Entrepreneur (Initiates changes, authorizes action, set goals, formulate plans)
- Disturbance Handlers (conflicts & complaints, strikes & lockouts, counters actions of competitors)
- Resource Allocation (Approves budgets, schedules
   & promotion, sets priorities)
- Negotiator (Customers, suppliers, employees, financers, etc.)

# **Nature of Management**

- Goal Oriented
- Economic Resource
- Distinct Process
- Integrative force
- Intangible force

- Result through others
- ▶ A science and an Art
- System of authority
- Multi disciplinary approach
- Universal Application

# Features of Management

- Organized activities
- Existence of objectives
- Relationship among resources
- Working with and through people
- Decision-making

# Significance of Management

- Determination of objectives
- Achievement of objectives
- Effective use of resources
- Co-ordinated human efforts
- Meeting challenges
- Economic Development

The managerial approach to handle workers and work should be pragmatic and dynamic (Peter Drucker)

# **Objectives of Management**

- To produce and distribute products required by the customer
- To keep customers satisfied and delighted with good service and quality
- To build a team of good self motivated workers
- To achieve good relations with the stake holders
- To achieve workers' cooperation
- ▶ To use resources effectively and efficiently
- To think for CSR

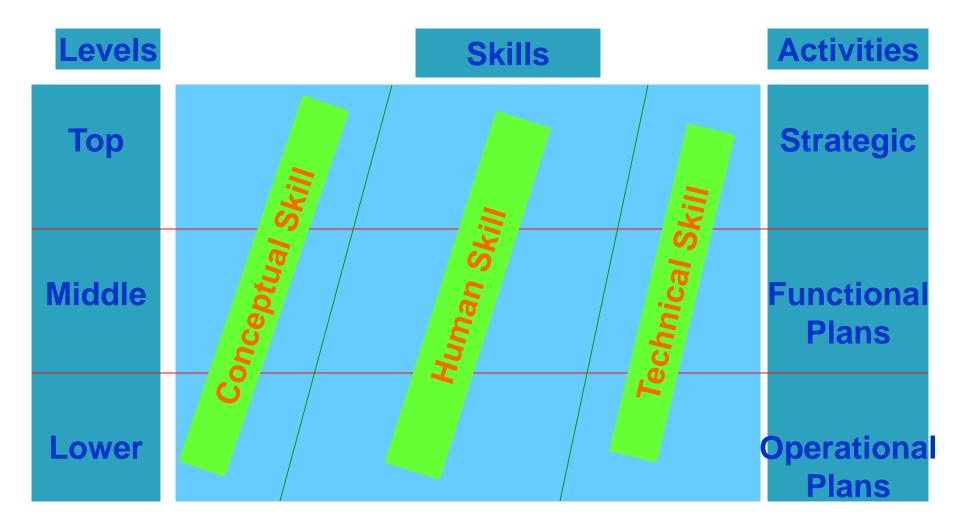
# Management Level & Skills

- Conceptual Skills (Coordination and Integration of activities )
- To recognize inter-relationships among different functions of the business and external forces
- To guide effectively the organizational efforts

#### **Human Skills**

 To communicate, To resolve conflict, To motivate, to lead

Technical Skills (To use the procedures, techniques, and knowledge of a specialized field)



**Managerial Skills** 

# Managerial Skills

## Conceptual Skills

- Problem Identification
- Problem Solving
- Innovation
- Use of Technology
- Understanding of Business

#### **Communication Skills**

- Transformation of ideas into action
- Credibility among colleagues
- Listening
- Presentation (Spoken)
- Presentation (Written

## Effectiveness Skills

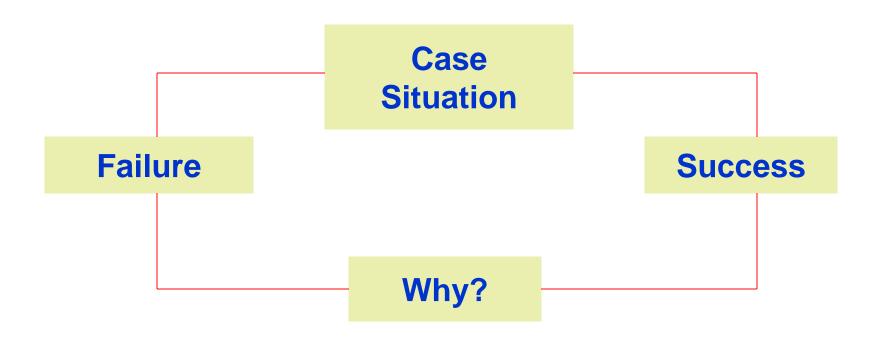
- Contribution towards mission
- Customer focus
- Multitasking
- Negotiating Skills
- Performance Standards
- Setting priorities for attention
- Time Management

# Interpersonal Skills

- Coaching & Mentoring
- Diversity skills
- Internal Networking
- External Networking
- Team effort

# Approaches to Management

1. Empirical or Case Approach



#### 2. Managerial Roles Approach

#### Mintzberg Approach

#### **Interpersonal Role**

- Figurehead Role, Leader Role, Liaison Role

#### **Informational Role**

Recipient role, Disseminator role, Spokesperson role

#### **Decision roles**

- Entrepreneurial role, Disturbance- handler role
- Resource allocator, Negotiator role

- 3. Contingency or Situational Approach
- 4. Mathematical Approach
- 5. Decision Theory Approach
- 6. Reengineering Approach
- Systems Approach

- 8. Socio-technical Approach
- 9. Cooperative Social Systems Approach
- 10. Group Behaviour Approach
- 11. Interpersonal Behaviour Approach
- 12. McKinsey's 7S Framework (Structure, System, Style, Staff, Skills, Strategy, Shared Values)

13. Total Quality Management Approach

14. Management Process or Operational Approach

#### MANAGEMENT VS ADMINISTRATION

Administration is that phase of a business enterprise that concerns itself with the overall determination of industrial objectives and policies necessary to be followed in achieving those objectives.

Management is an executive function which is primarily concerned with carrying out broad policies laid down by the administration.

#### Top

# **Organizational Levels**

Administration (Policy formulation)

Management (Policy implementation)

Lower

**Functions in Organization** 

# Differences between Admn. & Mgt.

Basis Admn. Mgt.

Level Top Middle & Lower

Focus Objective det. Policy execution

& Policy formu.

Nature of func. Determinative Executive

Scope of func. Broad and Narrow and

conceptual operational

Factors affecting External Internal

**Decisions** 

Qualities Administrative Technical

required

# Management : Science or Art Mgt as a Science:

Science is a systematized body of knowledge based on logical consistency, systematic explanation, critical evaluation, and experimental analysis.

#### Steps

- Formulation of a problem or complex of problems based on observation.
- Construction of theory to provide answers to the problem or problems based on inductions from observations.
- 3. Construction of hypothesis.
- 4. Testing of hypothesis.
- 5. Devising of actual situation to test the theorem.
- Actual testing in which confirmation does or does not occur.

Mgt. is not as exact as natural or physical sciences. It may be called inexact science or pseudo-science.

#### Management as an Art:

- 1. Process of mgt. does involve the use of know-how and skills.
- 2. Mgt. is directed to achieve certain concrete results.
- 3. Mgt. is creative like any other art.
- 4. Mgt. is personalized meaning as there is no one best way of managing.

#### An art has the following features:

- 1. It denotes personal skills.
- 2. It signifies practical.
- 3. It helps in achieving concrete results.
- 4. It is creative in nature.

# Management: Both Science and Art

To be a successful manager, a person requires the knowledge of management principles and also the skills of how the knowledge can be utilized. Absence of either will result inefficiency.

<u>Science</u>

Advances by knowledge

**Proves** 

**Predicts** 

**Defines** 

Measures

**Impresses** 

Art

Advances by practice

Feels

Guesses

Describes

Opines

Expresses

## **Changes Impacting the Manager's Job**

**Changes** 

Impact of changes

..Shifting organizational boundaries

..Virtual Workplaces

.. More mobile workforce

..Flexible work arrangements

..Empowered employees

Changing Technology (Digitization)

#### **Changes**

#### **Impact of changes**

Increased Threats to Security

..Risk management

..Work-Personal life balance

..Restructured workforce

..Discrimination concerns

..Globalization concerns

..Employee assistance

#### **Changes**

#### Impact of changes

Increased emphasis on Organizational and Managerial Ethics

.. Redefined Values

.. Rebuilding trust

.. Increased accountability

#### Changes

#### Impact of changes

**Increased Competitiveness** 

.. Customer services

.. Innovation

.. Globalization

.. Efficiency / Productivity