

HS 300 -
PRINCIPLES OF MANAGEMENT
(As per syllabus of APJ Abdul
Kalam Technological University)

SYLLABUS

MODULE	DETAILS
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I	Introduction to Management: definitions, managerial roles and functions; Science or Art perspectives- External environment-global, innovative and entrepreneurial perspectives of Management (3 Hrs.)– Managing people and organizations in the context of New Era- Managing for competitive advantage - the Challenges of Management (3 Hrs.)
II	Early Contributions and Ethics in Management: Scientific Management-contributions of Taylor, Gilbreths, Human Relations approach-contributions of Mayo, McGregor's Theory, Ouchi's Theory Z (3 Hrs.) Systems Approach, the Contingency Approach, the Mckinsey 7-S Framework Corporate Social responsibility- Managerial Ethics. (3 Hrs)
III	Planning: Nature and importance of planning, -types of plans (3 Hrs.)- Steps in planning, Levels of planning - The Planning Process. – MBO (3 Hrs.)
IV	Organising for decision making: Nature of organizing, organization levels and span of control in management Organisational design and structure –departmentation, line and staff concepts (3 Hrs.) Limitations of decision making-Evaluation and selecting from alternatives- programmed and non programmed decisions - decision under certainty, uncertainty and risk-creative process and innovation (3 Hrs.)
V	Staffing and related HRD Functions: definition, Empowerment, staff – delegation, decentralization and recentralisation of authority – Effective Organizing and culture-responsive organizations –Global and entrepreneurial organizing (3 Hrs.) Manager inventory chart-matching person with the job-system approach to selection (3 Hrs.) Job design-skills and personal characteristics needed in managers-selection process, techniques and instruments (3 Hrs.)
VI	Leading and Controlling: Leading Vs Managing – Trait approach and Contingency approaches to leadership - Dimensions of Leadership (3 Hrs.) - Leadership Behavior and styles – Transactional and Transformational Leadership (3 Hrs.) Basic control process-control as a feedback system – Feed Forward Control – Requirements for effective control – control techniques – Overall controls and preventive controls – Global controlling (3 Hrs.)

TEXT BOOKS AND REFERENCE BOOKS

Text Book:

Harold Koontz and Heinz Weihrich, *Essentials of Management*, McGraw Hill Companies, 10th Edition.

References:

1. Daft, *New era Management*, 11th Edition, Cengage Learning
2. Griffin, *Management Principles and Applications*, 10th Edition, Cengage Learning
3. Heinz Weihrich, Mark V Cannice and Harold Koontz, *Management: a Global, Innovative and Entrepreneurial Perspective*, McGraw Hill Education, 14th Edition
4. Peter F Drucker, *The Practice of Management*, McGraw Hill, New York
5. Robbins and Coulter, *Management*, 13th Edition, 2016, Pearson Education

QUESTION PAPER PATTERN

Max. marks: 100, Time: 3 hours .

The question paper shall consist of three parts

Part A: 4 questions uniformly covering modules I and II. Each question carries 10 marks
Students will have to answer any three questions out of 4 (3X10 marks =30 marks)

Part B : 4 questions uniformly covering modules III and IV. Each question carries 10 marks
Students will have to answer any three questions out of 4 (3X10 marks =30 marks)

Part C: 6 questions uniformly covering modules V and VI. Each question carries 10 marks
Students will have to answer any four questions out of 6 (4X10 marks =40 marks)

Note: In all parts, each question can have a maximum of four sub questions, if needed.

MODULE 1

INTRODUCTION TO MANAGEMENT

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CHAPTER 1 - INTRODUCTION TO MANAGEMENT

Who are Managers and where do they work?

There's no prototype or pattern as to who can be managers. Managers can be under the age of 18 to over age 80. They run large corporations as well as entrepreneurial start-ups. They're found in government departments, hospitals, small businesses, not-for-profit agencies, museums, schools, and even such nontraditional organizations as political campaigns and music tours. Managers can also be found doing managerial work in every country on the globe. In addition, some managers are top-level managers while others are first-line managers. And today, managers are just as likely to be women as they are men.

However all managers share one common element. They work in an organization setting.

What is an organization?

It's a deliberate arrangement of people to accomplish some specific purpose. Your college or university is an organization; so are, government departments, Facebook, your neighborhood grocery store, and global companies like Nestle, Nokia etc. All are considered organizations and have three common characteristics.

First, an organization has a distinct purpose. This purpose is typically expressed through goals that the organization hopes to accomplish. Second, each organization is composed of people. It takes people to perform the work that's necessary for the organization to achieve its goals. Third, all organizations develop some deliberate structure within which members do their work.



What do managers do?

Management is finding one best way to do a job. Eg FW Taylor used his theory of scientific management to find one best way of doing a job.

What is Management?

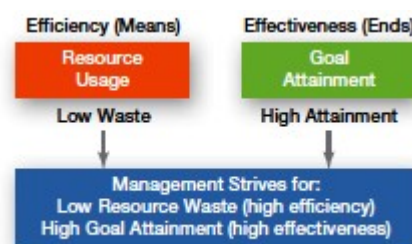
Management is the process of getting things done, effectively and efficiently, with and through other people. Management of an organization is the process of establishing objectives and goals of the organization periodically, designing the work system and the organization

structure, and maintaining an environment in which individuals, working together in groups, accomplish their aims and objectives and goals of the organization effectively and efficiently

Efficiency refers to getting the most output from the least amount of inputs. Because managers deal with scarce inputs—including resources such as people, money, and equipment—they're concerned with the efficient use of those resources. It's often referred to as “doing things right”—that is, not wasting resources.

It's not enough, however, just to be efficient. Management is also concerned with being effective, completing activities so that organizational goals are attained.

Effectiveness is often described as “doing the right things”—that is, doing those work activities that will help the organization reach its goals.



Mintzberg's Managerial Roles

The term **managerial roles** refers to specific actions or behaviors expected of and exhibited by a manager. (Think of the different roles you play—such as student, employee, student organization member, volunteer, sibling, and so forth—and the different things you're expected to do in these roles.) When describing what managers do from a roles perspective, we're not looking at a specific person per se, but at the expectations and responsibilities that are associated with being the person in that role—the role of a manager.

The **interpersonal roles** are ones that involve people (subordinates and persons outside the organization) and other duties that are ceremonial and symbolic in nature. The three interpersonal roles include figurehead, leader, and liaison. The **informational roles** involve collecting, receiving, and disseminating information. The three informational roles include monitor, disseminator, and spokesperson. Finally, the **decisional roles** entail making decisions or choices. The four decisional roles include entrepreneur, disturbance handler, resource allocator, and negotiator.

Interpersonal Roles

- Figurehead
- Leader
- Liaison



Informational Roles

- Monitor
- Disseminator
- Spokesperson



Decisional Roles

- Entrepreneur
- Disturbance handler
- Resource allocator
- Negotiator



a) Interpersonal Roles

The ones that, like the name suggests, involve people and other ceremonial duties. It can be further classified as follows

- Leader – Responsible for staffing, training, and associated duties.
- Figurehead – The symbolic head of the organization.
- Liaison – Maintains the communication between all contacts and informers that compose the organizational network.

b) Informational Roles

Related to collecting, receiving, and disseminating information.

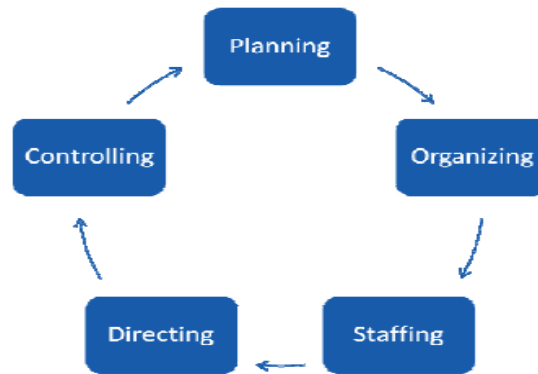
- Monitor – Personally seek and receive information, to be able to understand the organization.
- Disseminator – Transmits all import information received from outsiders to the members of the organization.
- Spokesperson – On the contrary to the above role, here the manager transmits the organization's plans, policies and actions to outsiders.

c) Decisional Roles

Roles that revolve around making choices.

- Entrepreneur – Seeks opportunities. Basically they search for change, respond to it, and exploit it.
- Negotiator – Represents the organization at major negotiations.
- Resource Allocator – Makes or approves all significant decisions related to the allocation of resources.
- Disturbance Handler – Responsible for corrective action when the organization faces disturbances.

Functions of Mangement



1. Planning

It is the basic function of management. It deals with chalking out a future course of action & deciding in advance the most appropriate course of actions for achievement of pre-determined goals. According to KOONTZ, “Planning is deciding in advance – what to do, when to do & how to do. It bridges the gap from where we are & where we want to be”. A plan is a future course of actions. It is an exercise in problem solving & decision making. Planning is determination of courses of action to achieve desired goals. Thus, planning is a systematic thinking about ways & means for accomplishment of predetermined goals.

2. Organizing

It is the process of bringing together physical, financial and human resources and developing productive relationship amongst them for achievement of organizational goals. According to Henry Fayol, “To organize a business is to provide it with everything useful or its functioning i.e. raw material, tools, capital and personnel’s”. To organize a business involves determining & providing human and non-human resources to the organizational structure. Organizing as a process involves:

- Identification of activities.
- Classification of grouping of activities.
- Assignment of duties.
- Delegation of authority and creation of responsibility.
- Coordinating authority and responsibility relationships.

3. Staffing

It is the function of manning the organization structure and keeping it manned. Staffing has assumed greater importance in the recent years due to advancement of technology, increase in size of business, complexity of human behavior etc.

According to Kootz & O’Donell, “Managerial function of staffing involves manning the organization structure through proper and effective selection, appraisal & development of personnel to fill the roles designed un the structure”. Staffing involves:

- Manpower Planning (estimating man power in terms of searching, choose the person and giving the right place).
- Recruitment, selection & placement.
- Training & development.
- Remuneration.
- Performance appraisals.
- Promotions & transfer.

4. Directing

It is that part of managerial function which actuates the organizational methods to work efficiently for achievement of organizational purposes. It is considered life-spark of the enterprise which sets it in motion the action of people because planning, organizing and staffing are the mere preparations for doing the work. Direction is that inert-personnel aspect of management which deals directly with influencing, guiding, supervising, motivating sub-ordinate for the achievement of organizational goals. Direction has following elements:

- Supervision
- Motivation
- Leadership
- Communication

(i) **Supervision-** implies overseeing the work of subordinates by their superiors. It is the act of watching & directing work & workers.

(ii) **Motivation-** means inspiring, stimulating or encouraging the sub-ordinates with zeal to work. Positive, negative, monetary, non-monetary incentives may be used for this purpose.

(iii) **Leadership-** may be defined as a process by which manager guides and influences the work of subordinates in desired direction.

(iv) **Communications-** is the process of passing information, experience, opinion etc from one person to another. It is a bridge of understanding.

5. Controlling

It implies measurement of accomplishment against the standards and correction of deviation if any to ensure achievement of organizational goals. The purpose of controlling is to ensure that everything occurs in conformities with the standards. An efficient system of control helps to predict deviations before they actually occur.

Controlling is the process of checking whether or not proper progress is being made towards the objectives and goals and acting if necessary, to correct any deviation

Therefore controlling has following steps:

- (i) Establishment of standard performance.
- (ii) Measurement of actual performance.
- (iii) Comparison of actual performance with the standards and finding out deviation if any.
- (iv) Corrective action.

Nature of Management

Science or an art?

Managing like all other practices- whether medicine, music composition, engineering, accountancy- is an art. It is a know-how. It is doing things in the light of realities of a situation. Yet managers can work better by using the organised knowledge of management. It is this knowledge that constitutes a science. Thus managing as practice is an art; the organised knowledge underlying the practice may be referred to as science.

Levels of Management

Considering the hierarchy of authority and responsibility, one can identify three levels of management namely:

(i) **Top management** of a company consists of owners/shareholders, Board of Directors, its Chairman, Managing Director, or the Chief Executive, or the General Manager or Executive Committee having key officers.

Top management is the ultimate source of authority and it lays down goals, policies and plans for the enterprise. It devotes more time on planning and coordinating functions. It is accountable to the owners of the business of the overall management. It is also described as the policy making group responsible for the overall direction and success of all company activities

(ii) **Middle management** of a company consists of heads of functional departments viz. Purchase Manager, Production Manager, Marketing Manager, Financial controller, etc. and Divisional and Sectional Officers working under these Functional Heads.

The job of middle management is to implement the policies and plans framed by the top management. It serves as an essential link between the top management and the lower level or operative management. They are responsible to the top management for the functioning of their departments.

(iii) **Lower level or operative management** of a company consists of Superintendents, Foremen, Supervisors, etc.

It is placed at the bottom of the hierarchy of management, and actual operations are the responsibility of this level of management. It consists of foreman, supervisors, sales officers, accounts officers and so on. They are in direct touch with the rank and file or workers. Their authority and responsibility is limited. They pass on the instructions of the middle management to workers.

Managerial Skills

A skill is an individual's ability to translate knowledge into action. In order to be able to successfully discharge his roles, a manager should possess four major skills. These are conceptual skill, human relations skill, technical skill and design skill.

Conceptual skill deals with ideas. The conceptual skill refers to the ability of a manager to take a broad and farsighted view of the organization and its future, his ability to think in abstract, his ability to analyze the forces working in a situation, his creative and innovative ability and his ability to assess the environment and the changes taking place in it.

The technical skill is the manager's understanding of the nature of job that people under him have to perform. It refers to a person's knowledge and proficiency in any type of process or technique. In a production department this would mean an understanding of the technicalities of the process of production.

Human relations skill is the ability to interact effectively with people at all levels. This skill develops in the manager sufficient ability (a) to recognize the feelings and sentiments of others; (b) to judge the possible actions to, and outcomes of various courses of action he may undertake; and (c) to examine his own concepts and values which may enable him to develop more useful attitudes about himself.

Design Skill involves the ability to solve problems of the organisation. Top and middle level managements must have the ability to see more than a problem. They must have in addition the skill of a good design engineering working out a practical solution to the problem. Managers must be able to develop a workable solution to the problem.

CHAPTER 2 – MANAGING PEOPLE AND ORGANISATIONS IN THE NEW ERA

External Environment

The external business environment of a firm can be classified in to micro and macro environment.

Micro Environment

The micro environment or task environment encompasses those forces in the close surrounding area of an organization that influence it's functioning. Even if it is external to an organization, micro factors need not affect all the firms in a particular industry in an equivalent manner. Some of the micro factors may be unique to a firm. It embraces the following factors:

1. Suppliers

Suppliers of raw materials, components and semi finished goods are very prominent for a firm. They operate as an important force within the micro environment of the firm.

2. Marketing intermediaries

It includes the firms that assist the company in promoting, selling and distributing its goods to final buyers. They are operating in the micro environment.

3. Customers

As far as any business firm is concerned, creation and maintenance of customers are of utmost importance. Triumph of a business principally depends on realising the needs, desire and tastes of customers.

4. Competitors

Every organization has a competitive environment. Activities of a business should be adjusted according to the actions and reactions of competitors. An enterprise will be facing direct and indirect competition from many rivalries. A firm should monitor the activities of the competitors in its micro environment and should counteract accordingly.

5. Public

Public refers to any cluster that has actual or potential interest in the business activities. Such clusters can exert influence on the business. e.g., growth of consumer groups may affect the working of newly developed businesses.

6. Financiers

The term financiers include commercial banks, money lending institutions, private persons etc who have lent money for business operations. In addition to the financing capabilities, their policies and strategies, attitudes, ability to provide non-financial assistance etc are vital.

Macro Environment

A company along with its micro environment situate in a bigger macro environment. This micro environment provides opportunities and poses threats to a firm. The macro forces are generally more uncontrollable and the success of a company depends on its adaptability to the environment. A firm cannot exercise effective control on the factors of macro environment and only the degree of adaptability it has to that particular environment can direct it to success.

The macro environment of a firm consists of the following:

1. Economic environment

The Economic environment includes broad factors like structure and nature of the economy, the stage of development of the economy, economic resources, the level of income of the economy, the distribution of income and assets among citizens, linkages with global economy, economic policies etc. Important economic factors are:

- a) Degree of economic development.
- b) Structure of the economy.
- c) Economic policies.
- d) Economic conditions

2. Political Environment

It primarily comprises of the country's government's actions which may influence the operations of a company or business. These actions can be on different levels like local, regional, national or international. The decision makers should observe the movements of the government keenly, so that they can make quick decisions.

3. Technological environment

Along with determining the destiny of an organization, technology can contribute to the economic and social development of a nation. Factors like the type of technology in use, the level of technological developments, the speed with which new technologies are adopted and diffused, the type of technologies that are appropriate, the technology policy etc has deep implications on the prospects of the business.

4. Social Environment

The social environment of business includes social factors like customs, traditions, values, beliefs, poverty, literacy, life expectancy rate etc. The social structure and the values that a society cherishes have a considerable influence on the functioning of business firms. For example, during festive seasons there is an increase in the demand for new clothes, sweets, fruits, flower, etc.

5. Cultural environment

Culture of a particular region includes activities such as dance, drama, music and festivals. In its exact sense culture is understood as that composite whole which includes knowledge, belief, art, morals, law, customs and other capabilities and habits acquired by individual as a member of a society.

What Factors are Reshaping and Redefining Management?

In today's world, managers are dealing with changing workplaces, a changing workforce, global economic and political uncertainties and changing technology.

Importance of Customers to the Manager's Job

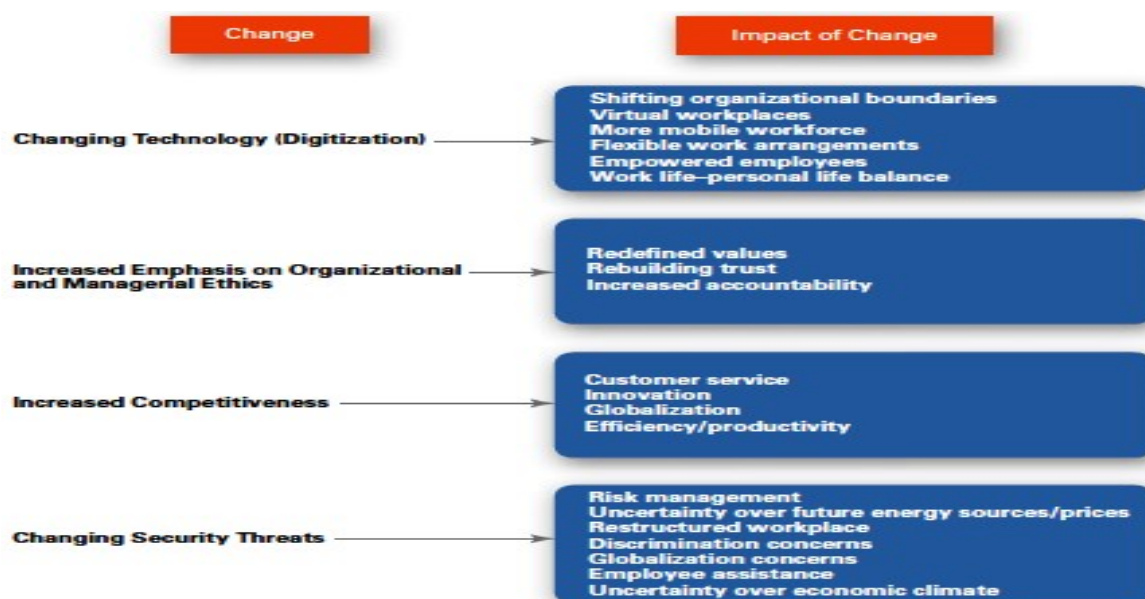
Managers are recognizing that delivering consistent high-quality customer service is essential for survival and success in today's competitive environment and that employees are an important part of that equation. The implication is clear—managers must create a customer-responsive organization where employees are friendly and courteous, accessible, knowledgeable, prompt in responding to customer needs, and willing to do what's necessary to please the customer.

Importance of Innovation to the Manager's Job

“Nothing is more risky than not innovating.” Innovation means doing things differently, exploring new territory, and taking risks. And innovation isn't just for high-tech or other technologically sophisticated organizations. Innovative efforts can be found in all types of organizations. For example, at Tata of India, the company's top manager, chairman Ratan Tata, told his employees during the bleak aspects of the global economic downturn to “Cut costs. Think out of the box. Even if the world around you is collapsing, be bold, be daring, think big.” And his employees obviously got the message. The company's introduction of the Rs 1 Lakh minicar, the Nano, was the talk of the global automotive industry. As these stories illustrate, innovation is critical.

Importance of Sustainability to the Manager's Job

From a business perspective, **sustainability** has been defined as a company's ability to achieve its business goals and increase long-term shareholder value by integrating economic, environmental, and social opportunities into its business strategies. Sustainability issues are now moving up the agenda of business leaders and the boards of thousands of companies. Like the managers at Walmart are discovering, running an organization in a more sustainable way will mean that managers have to make informed business decisions based on thorough communication with various stakeholders, understanding their requirements, and starting to factor economic, environmental, and social aspects into how they pursue their business goals.



Rewards and Challenges of Being a Manager

Rewards	Challenges
<ul style="list-style-type: none">• Create a work environment in which organizational members can work to the best of their ability• Have opportunities to think creatively and use imagination• Help others find meaning and fulfillment in work• Support, coach, and nurture others• Work with a variety of people• Receive recognition and status in organization and community• Play a role in influencing organizational outcomes• Receive appropriate compensation in the form of salaries, bonuses, and stock options• Good managers are needed by organizations	<ul style="list-style-type: none">• Do hard work• May have duties that are more clerical than managerial• Have to deal with a variety of personalities• Often have to make do with limited resources• Motivate workers in chaotic and uncertain situations• Blend knowledge, skills, ambitions, and experiences of a diverse work group• Success depends on others' work performance

Challenges of Management

1. Globalisation- When a global disaster strikes a country, the fragility of the global supply chain becomes more apparent. An important issue that managers have to deal with is globalization. Managers have to see through others eyes. All countries have different values, morals, customs, political and economic systems. All this has to be considered by a manager.
2. Expectations from the society – Society expects managers to be responsible and ethical. Managers have to go beyond profit making, including voluntary activities and concern for the broader social system.
3. Ethical behaviour – Managers want to be seen as ethical. Whether a manager acts ethically or unethically depends on his morality, values, personality etc. Code of ethics are popular tools for attempting to reduce employee ambiguity about what's ethical and what's not
4. Workplace diversity – Diversities in workplace exist in terms of age, gender, race, ability/disability, religion etc. Managers have to respond to the changing workforce.
5. Change in technology – A manager is required to be updated with all forms of technology and make appropriate investments in acquisition of manufacturing equipments.