

Chapter 1

Management

Meaning and definition of management

Basically management is concerned with getting things done and it involves working with and through individuals and groups to accomplish organisational goals.

Fundamental task of management is to get the best out of the people in any given situation in any given organisation

1.1 Meaning and definition of management

- Management is basically an art of dealing with people.
- Technique since management personnel must have necessary skills, knowledge and insight while working with and through people to accomplish desired results.
- Management is definitely a science because knowledge in this field is gain and verified by exact observation and correct thinking, methodically formulated and arranged in a rational system.

1.1 Meaning and definition of management

- Management has an organised and systematised body of knowledge based on research and observation, capable of universal application under given conditions and its structural elements have a cause effect relationship.
- Management as a profession: profession is an occupation for which specialised knowledge, skills and training are required. The use of the skills is not meant for self-satisfaction but these are used for larger interest of the society and the success of the use of the skills is measured not in terms of money alone.

1.1 Meaning and definition of management

Various characteristics of profession may be

- 1 Existence of organised and systematized body of knowledge
2. Formal method of acquisition of knowledge
3. Existence of an association with professionalism as its goal
4. Formulation of ethical code,
5. Service motive.

1.1 Meaning and definition of management

Nature of management:

1. Multidisciplinary: takes concepts from economics, psychology, sociology, statistics and operation research
2. Dynamic nature of principles: principles are flexible in nature and change with change in environment in which organisation exist.
3. Relative, not absolute principles: principle should be applied as per the need of the organisation each organisation may be different from others
4. Science or art: management is both a science and an art

1.1 Meaning and definition of management

- 5. Profession:
- 6. Universality of management: managerial knowledge can be transferred from one person to another person, from one firm to another firm in the same country and from one country to another country.
- 7. The management is a continuous process
- 8. It is also a circular process. It means planning affects organising at the same time organising affects planning.
- 9. It is also a social process, in the sense that it affects society.

1.1 Meaning and definition of management

Management is considered to be the intellect of human being that analyses, prescribes, plan, motivates, appraises and control the use and effectiveness of human and physical resources required to accomplish known definite objective.

1.2 The need, scope and process of management

Management is concerned with five major tasks.

1. It determines the objective of the organisation.
2. It makes work more objective oriented and uses judiciously the resources at its command.
3. It maintains harmony and efficiency within the organisation and outside.
4. It gives a sense of achievement to the workers so that they would be motivated to work with commitment.
5. It manages to regulate the social impact on the organisation.

1.2 The need, scope and process of management

- **Manager** - The group of people, who are well educated, well informed, ambitious, achievement oriented and has multiple roles in relation to business and society and taking care of the management task are termed as the managers.
- Working of a manager is conditioned by demands of the social cultural environment.

1.2 The need, scope and process of management

- The manager must have a commitment to the task, competency, credibility creativity and character. They should learn operating skills, organising skills, behavioural skills, conceptual skill, communication skills and judgement skills.

Manager is at any time involved in performing one or the other element of the management process.

1.3 Managerial levels/hierarchy

- Top management: board of directors, managing director, general manager and secretary.
- Upper middle: vice president, divisional heads.
- Middle management: departmental heads, superintendents
- Foremen: supervisors- sales, factory, office.
- Operating force: no powers but manage themselves their task, tools and work.

Each has right to plan, to determine goals, to make internal policies, to lead, to organise, to control, to apprise the result.

1.4 Managerial functions

- Planning: forecasting, policies, schedule, budget, objectives and procedures.
- Organising: identification and grouping of work, delegation of responsibility and authority.
- Coordinating: balancing, integrating.
- Motivating: counselling, communicating, training, coaching, directing.
- Controlling: standards, measurement, interpretation, corrective action.
- Decision making: define problem, analyse, alternatives, collection of best, action, feedback.

1.5 Types of managers

- A functional manager manages owns the resources in a specific department, such as IT, engineering, public relations, or marketing, and generally directs the technical work of individuals from that functional area. The functional manager shares responsibility for directing the work of individuals.
- The activities of a functional manager may include:
 - Assign specific work to individuals or to team,
 - Participate in the initial planning until work packages or activities are assigned
 - Provide subject matter expertise
 - Manage activities within their functional areas
 - Assist with problems related to team member performance
 - Improve staff utilization

1.5 Types of managers

- Normally specialized managers are appointed in case of project based organizations. They are required for specific work like project management, Business process management, and change management. They are responsible for on-budget, on-time delivery of deliverables of the project. In continuation their other job responsibilities are
- Identify all necessary resources of special projects.
- Comply with entire timelines and ensure to accomplish all established objectives.
- Analyse proposed projects, quantify impact as projected on business and prepare business case.
- Manage and direct design, enrolment, deployment as well as governance of event's new initiatives.

1.5 Types of managers

- Identify individuals throughout company willing to participate in deployment.
- Conduct research on different strategic initiatives.
- Prepare and present business plans along with overall strategy for every initiative.
- Collaborate with business leaders to prepare and execute programs as well as initiatives to enhance market share plus profitability of business.
- Lead and direct entire cross functional teams on data management, operations planning and milestone tracking for strategic initiatives implementation.

1.5 Types of managers

- A generalized manager has overall responsibility for managing a complete unit of organization. His responsibility includes both the revenue and cost elements of a company's income statement, known as profit & loss (P&L). A general manager usually oversees most or all of the firm's marketing and sales functions as well as the day-to-day operations of the business. Frequently, the general manager is responsible for effective planning, delegating, coordinating, staffing, organizing, and decision making to attain desirable profit making results for an organization. In small companies, the general manager may be one of the top executives.

1.5 Types of managers

- General Managers commonly rank above most employees but below corporate-level executives.
- The general manager tends to supervise lower-level managers. These lower-level managers may be functional managers or in charge of several smaller divisions but report directly to the general manager. The general manager gives specific direction for each department head. As part of this supervision, a general manager oversees the hiring, training, coaching, and disciplining of lower-level managers. This manager lays out incentives for workers and assesses the efficiency of departments while offering strategic plans for the business based on company goals.

1.6 social responsibility of Management

- Social responsibilities refer to the management decisions and actions taken to reasons at least partially beyond the firm's direct economic for technical interest. These are the actions by managers for the betterment of the society. These actions may refer to arranging social programs, facing social challenges, following social commitments or concerned with the public problems.
- Management is responsible to the organisation itself and to all the interest groups with which it interacts. These interest groups such as workers, customers, creditors, suppliers, government, and society in general are placed essentially equally with the shareholders.

1.6 social responsibility of Management

- Shareholder: Managements' responsibility is to use the resources effectively and protect the interest of the shareholders
- Workers: Management should create a sense of belongingness and improve the working and living condition of the workers.
- Customers: Customer should be charged fair and reasonable price. Goods must have the reasonable quality and uniform standards.
- Creditors, suppliers and others: Management should create healthy and cooperative inter business relationship with the businesses.
- Government: management should be law abiding citizen and should not buy political favour by any means.
- Society: Management should maintain fair business policies and practices and help in creating better living conditions in general.