



management → management is the art of getting things done in a formally organized group through people. Thus, management can be defined as the art or skill of directing human activities and physical resources for attaining pre-determined goals.

"Management" is a very wide term as it carries different meaning depending on the context in which it is used. It is described as an activity a "process" and a group of people vested with the authority to make decision.

Henry Fayal : "To manage is to forecast and plan, to organize, to command, to coordinate and to control."

James D. Mooney and Allan C. Reiley ~~said~~ state that,

mgmt is the art of directing and inspiring people. Thus, mgmt refers to all the activities concerned with.

- 1) Ensuring maximum satisfaction for both Employer and Employee and providing the Public with the best possible service.
- 2) Gathering men, money, materials, machines and methods for their accomplishment.
- 3) Instructing and motivating the men at work.
- 4) Coordinating the Physical and non-human Resources
- 5) Formulation of objectives plans and Policies of the collective behaviour.

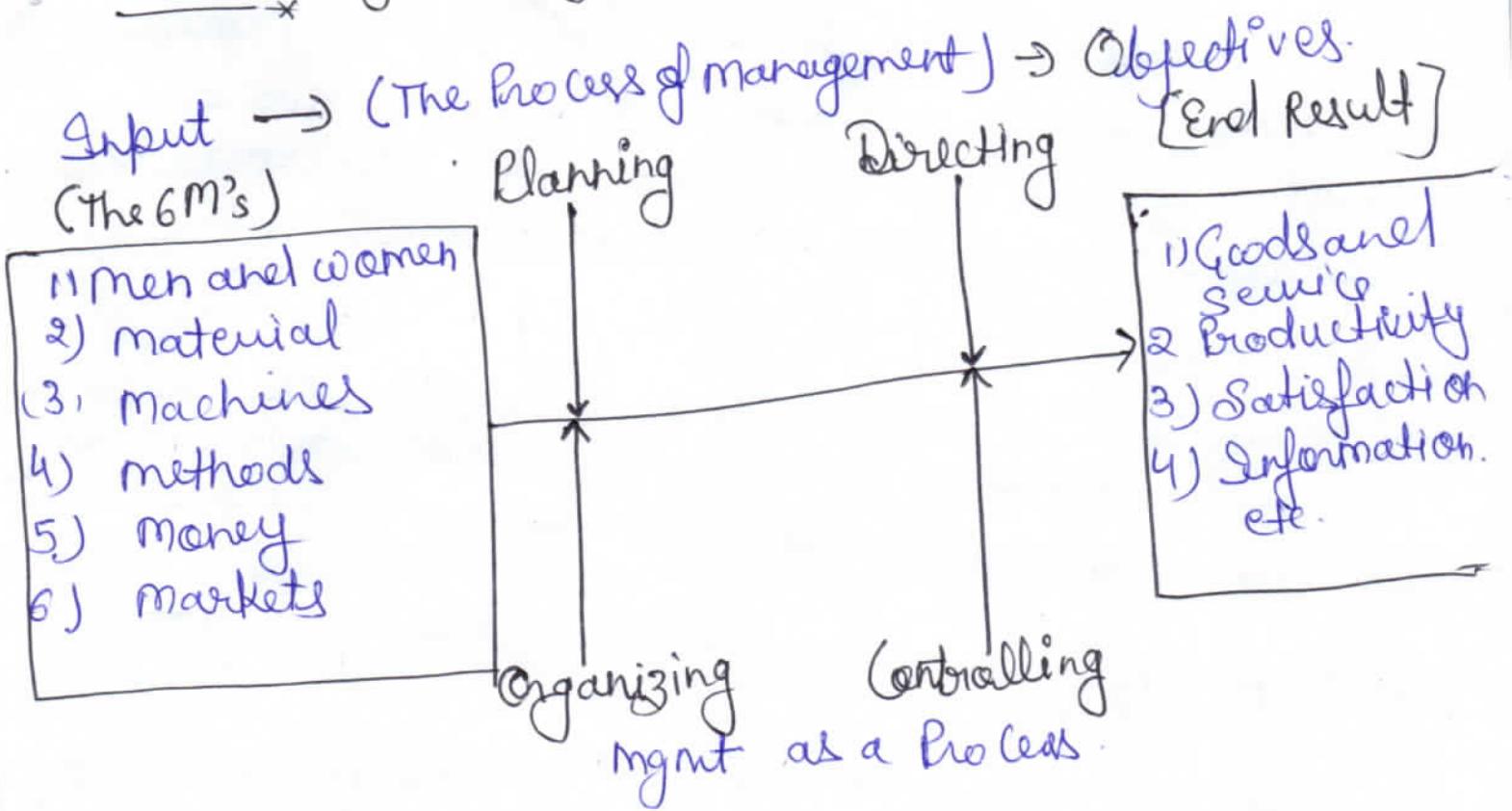
## Characteristics or features or Nature of Management

- 1) A Human Activity
- 2) Important at all levels of the Orgn.
- 3) Goal - Oriented Process.
- 4) An Integrating Process.
- 5) A Continuous Process.
- 6) A System of Authority.
- 7) A Social Responsibility.
- 8) Dynamic nature of Principles of mgmt.
- 9) As Profession.
- 10) Universality of management.
  - (i) Both as Science and An Art.
  - (ii) Intangibility  $\rightarrow$  satisfied, happy, unhappy, employees  
orderliness, cheerful, spirit, output.

## Scope of management)

- 1) Planning
- 2) Organising
- 3) Recruitment
- 4) Instructing
- 5) Commanding
- 6) Functional Areas of management.
- 7) Management is an Inter-disciplinary Approach.
- 8) Universality of management.

## Process of management in an organisation.



## functions of mgmt

Functions of Management

- 1) Planning
  - 2) Organising
  - 3) Staffing
  - 4) Directing
  - 5) Controlling



## Controlling Subsidiary functions of management

- 1) Communication
  - 2) Co-ordination
  - 3) Motivation
  - 4) Decision-making
  - 5) Innovation

## Scientific management. →

It is a classical management approach that emphasises the scientific study of work methods to improve the efficiency of the worker. Some of the earliest advocates of scientific management were Frederick W. Taylor (1856-1915).

Acc to Taylor. "Scientific mgmt is concerned with knowing exactly what you want men to do and then see that they do it in the best and cheapest way."

## The Specific features of scientific management

- 1) Separation of Planning and doing → Regarding the work to be done.
- 2) functional foremanship → Route clerk, Instruction card clerk, Time and cost clerk.
- 3) Bilateral mental Revolution. → on the part of their duties towards their work, fellow-men towards their employees.
- 4) Motion study.
- 5) Time study.
- 6) functional foremanship
- 7) Differential Piece Rate Plan.

## Principles of Scientific management

- 1) → To Replace Rule of Thumbs with Science
- 2) → To obtain Harmony in group Action.
- 3) → To Achieve Co-operation b/w mgmt and workers.
- 4) → To maximise output in place of Restricted output
- 5) → To Develop workers through Scientific selection and training.

### ③ Contribution of Fayol in the field of management

Henry Fayol → A French Industrialist, has been regarded as the real father of modern management - he was a major contributor administrative management approach. He was a mining engineer and worked at different positions before reaching the position of the experiences in his books. Fayol looked at the problem of managing with the management point of view and met with the workers point of view, as was done by Taylor.

Various principles as advocated by Fayol for management in an organization -

- 1) Division of labor.
- 2) Parity of authority and responsibility.
- 3) Discipline.
- 4) Unity of Command.
- 5) Unity of Direction.
- 6) Subordination of individual's interest to general interest.
- 7) Fair Remuneration to employees.
- 8) Centralization and Decentralization.
- 9) Scalar chain.
- 10) Order.
- 11) Equity.
- 12) Esprit de Corps.
- 13) Initiative.
- 14) Stability of Tenure.



## Bureaucracy Theory of management →

The Theory of bureaucracy to the management thought was contribution by max weber. he used the term 'bureaucracy' to the specific kind of ad ministrative Orgn max weber's main contribution to management is his theory of authority structure and his description of org which is based on the nature of authority relation within them.

- 1) Rational - legal Authority → A legally established, Rank within hierarchy.
- 2) Traditional authority → People obey a person (interclass).
- 3) Charismatic Authority → obedience is based on the follower.

## characteristics of Bureaucracy →

- 1) → Division of work.
- 2) → Hierarchy of Positions
- 3) → Rules and Regulations.
- 4) → Impersonal Conduct.
- 5) → Staffing.
- 6) → Technical Competence
- 7) → Official Records.

## Merits of Bureaucracy →

- 1) Optimum Utilization of human Resources
- 2) Perpetual Succession
- 3) Employee Behaviour.
- 4) Specialization
- 5) Advance Decision

## Demerits of Bureaucracy

- 1) → Rigidity
- 2) → Displacement of goal
- 3) → Impersonal nature of work.
- 4) → No mutual understanding
- 5) Failure of Co-operation and Co-ordination.

Planning: Planning is the process of thinking before doing. It may be defined as deciding in advance what is to be done in future. It involves determination of goals as well as the activities required to be undertaken to achieve these goals. Planning is deciding in advance what to do, how to do it, when and by whom.

According to James Gandy - <sup>op</sup> Planning means the determination of what is to be done, how and where it is to be done, who is to do it and to how result are to be evaluated. <sup>99</sup>

Henry Fayol - <sup>ee</sup> Planning is deciding the best alternative among others to perform different managerial operations in order to achieve the predetermined goals.

### Objectives of Planning →

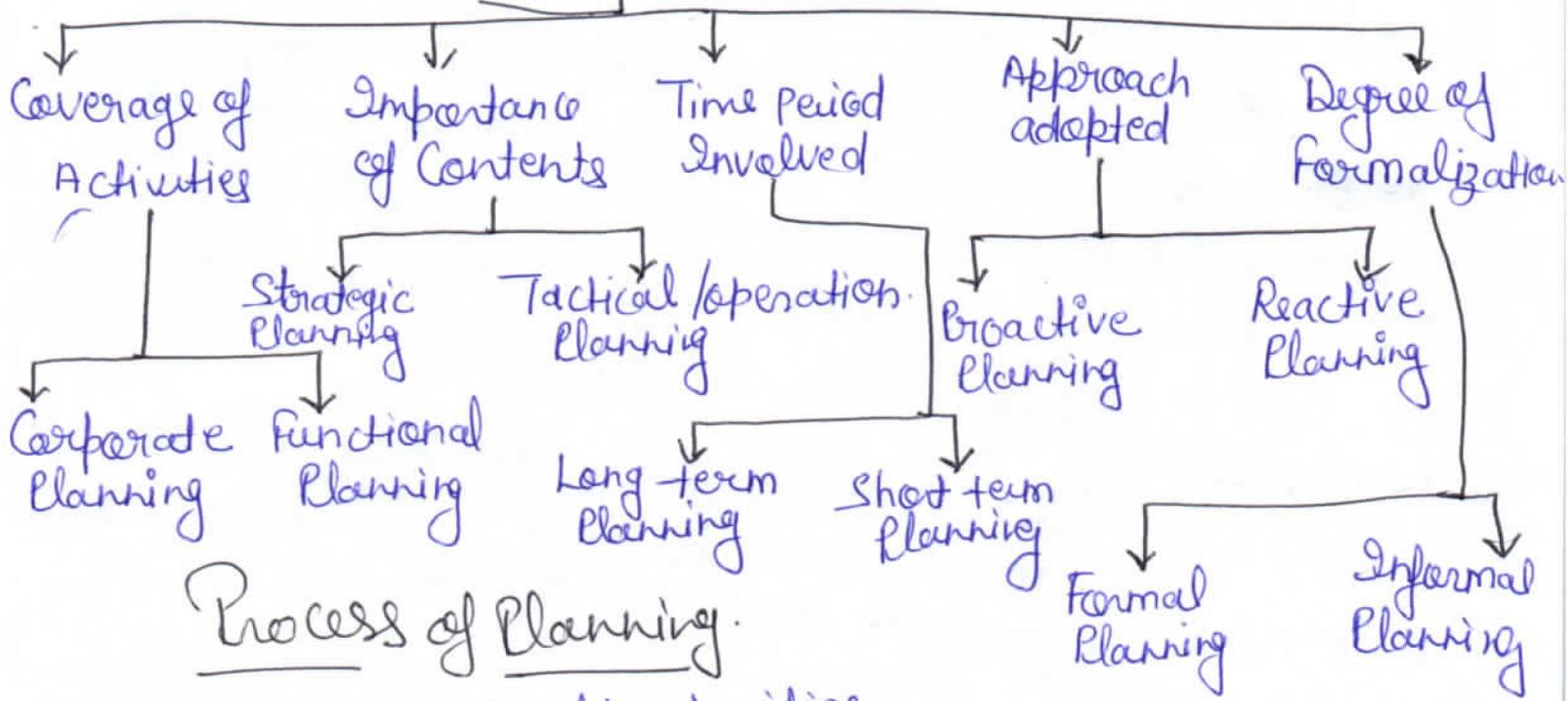
- 1) To Reduce Uncertainty.
- 2) To Bring Co-operation and Co-ordination.
- 3) To Ensure Optimum utilisation of Resources.
- 4) Helps in Achieving the predetermined goals.
- 5) Reduces Competition.

### Nature of Planning →

- 1) Pervasive
- 2) Primary function
- 3) Goal-oriented
- 4) A mental exercise
- 5) A continuous process
- 6) Planning is Futuristic

- (7) Planning is flexible
- (8) Involvement of choice

# Types of Planning



- 1) Being Aware of opportunities
- 2) Establishing objectives
- 3) Planning Premises
- 4) Identification of alternatives
- 5) Evaluation of Alternatives
- 6) Choice of Alternative
- 7) Formulation of supporting Plans
- 8) Establishing Sequence of Activities

## why is Planning in an Orgn.

- 1) Clear, Specific and Achievable obj.
- 2) Reduces Risks of uncertainty
- 3) Ensures Co-ordination and Co-operation
- 4) Facilitates Decision making
- 5) Promotes Creativity
- 6) Basis Control
- 7) Planning leads to Economy
- 8) Better Utilization of Resources
- 9) motivates employees
- 10) Promote growth and expansion
- 11) Enhance Competitive Strength
- 12) Develops Rationality among mgmt Executives

Decision-making → Decision-making may be described as the process of selecting a course of action from several alternatives so that desired result by be accomplished. The purpose of decision-making is to direct human behaviour and commitment towards a future goal.

George R. Terry - Decision-making is the selection based on certain criteria from two or more alternatives.

Decision making Important for the Org<sup>n</sup> →

- 1) Provides Selection
- 2) Ensures optimum use of resources.
- 3) Helps in solving problems.
- 4) motivates employees
- 5) Avoids conflicts.

Process of Decision-making in an Org<sup>n</sup>

- (1) Identifying the Problem
- (2) Collecting Data
- (3) Formulating a model
- (4) Evaluation
- (5) Framing a Decision
- (6) Follow-up Actions



\* Techniques used for decision making →

- 1) marginal Analysis
- 2) financial Analysis
- 3) Break-even analysis

4) Ratio Analysis

5) Operation Research - (i) Game Theory (ii) Simulation

6) New methods of Decision-making - (i) Transportation model (ii) Decision tree  
(iii) Force Field Analysis - (iv) Paired Comparison Analysis

## Bureaucracy theory of mgmt

The Theory of 'Bureaucracy' to the mgmt thought was contributed by Max Weber. He used the term 'Bureaucracy' to the specific kind of administrative org<sup>n</sup>. There are three types of legitimate authority which are as follows.

- (1) Rational-legal Authority
- (2) Traditional Authority
- (3) Charismatic Authority

## Characteristics of Bureaucracy -

- 1) → Division of work
- 2) → Hierarchy of Positions
- 3) → Rules and Regulations
- 4) → Impersonal Contact
- 5) → Staffing
- 6) → Technical Competence
- 7) → Official Records



Organising → Orgn as a process & integrates and co-ordinates the efforts of human, financial, technology and other resources. The term 'Orgn' means different things to different people. It is used widely to mean a structure of relationships, a process, a group of people and a function of management.

### Nature of Orgn Process

- 1) Division of labour.
- 2) Co-ordination.
- 3) Social system
- 4) Objectives
- 5) Co-operative relationship

- (6) Well-defined Hierarchy
- (7) Communication.

### Objectives of Orgn Process

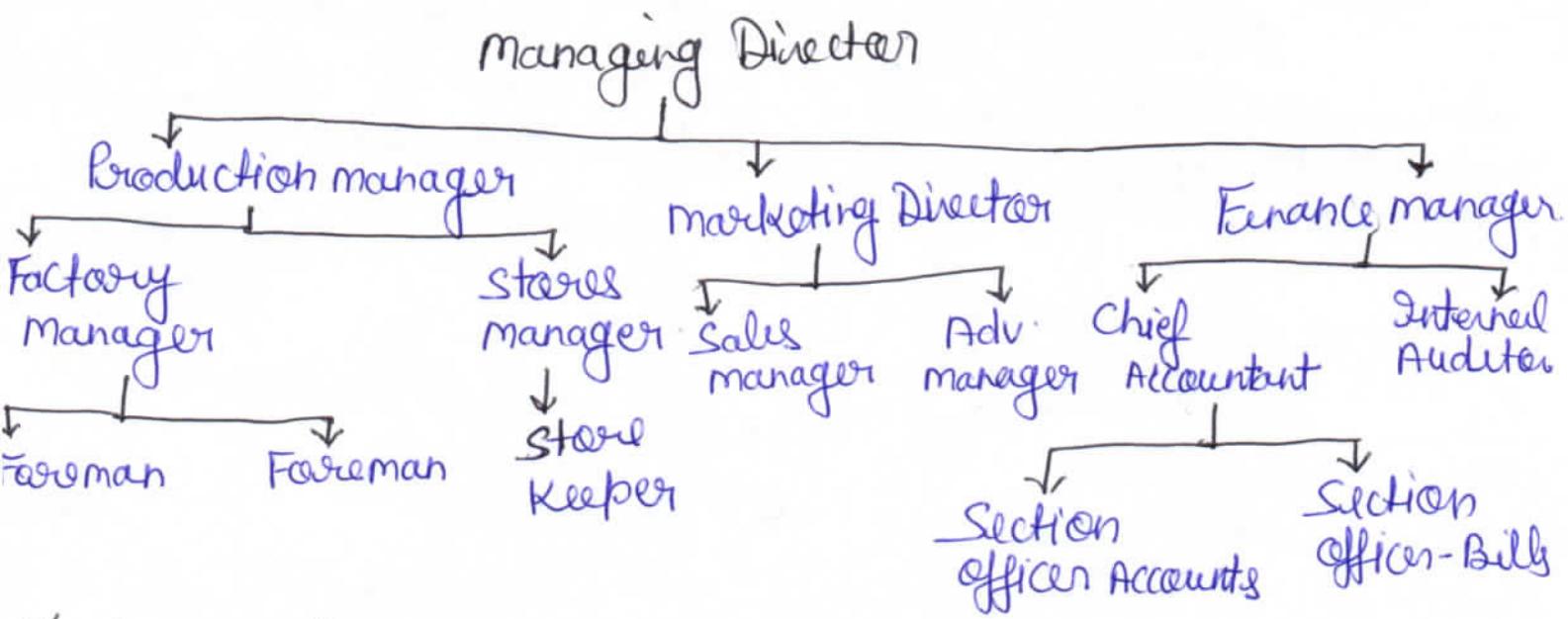
- 1) To Achieve Orgn goal
- 2) Ensures optimum use of Resources.
- 3) Performing managerial function
- 4) To facilitate Co-ordination.
- 5) Develops Honesty and Unity
- 6) Enhance Creativity
- 7) Adoption of New Technology



### Process of Organising in an Orgn.

- (1) Determination of objectives
- (2) Enumeration of Activities
- (3) Grouping Activities
- (4) Allocation of fixed Responsibility to Definite Persons
- (5) Delegation of Authority
- (6) Co-ordination.

## Organisational structure



## Features of a good org structure

- 1) Simplicity (5) ... Flexibility

2) Application of Ultimate Responsibility (6) Clear line of authority

3) Proper Delegation of Authority (7) Principle of Unity of Direction

4) Minimum Possible Managerial Levels (8) Proper Emphasis on Staff.

## TYPES OF ORGANISATIONAL STRUCTURE

- i) Line Orgn.
  - ii) Line and Staff Orgn.
  - iii) Functional Orgn.
  - iv) Divisional Orgn.
  - v) Project Orgn.

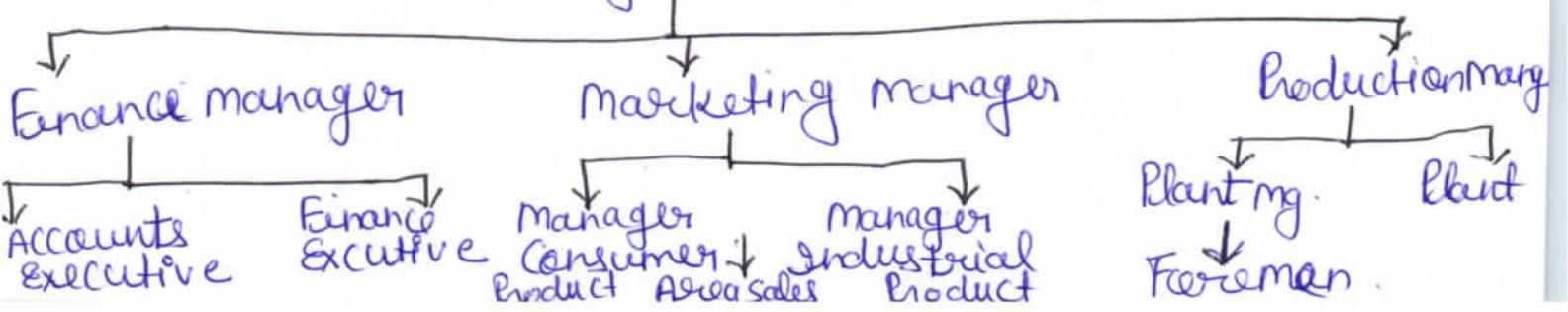
(vi) Team Structure

(vii) Divisional Orgn.

(viii) matrix Orgn.

[IX] Free form Orgn.

Line Organisation / military Org  
chief executive



## Merits of Line Org<sup>n</sup>

- 1) Simple in Nature
- 2) Proper Authority and Responsibility
- 3) Ensures Coordination
- 4) Economical
- 5) Enables Quick Decisions
- 6) Provides Unity of Command
- 7) Helps in Development of Skills
- 8) Helps in Effective Control and supervision.

## Demerits of Line Org<sup>n</sup>

- 1) Excess work load
- 2) Lack of specialization
- 3) Lack of Co-ordination.
- 4) Improper Communication.
- 5) Instable.



\* Principles does a manager delegate his Authority  
The Principles of delegation which are meant to guide - Posts to delegant managers to be used with discretion with reference to their unique operation situations are:-

- 1) Interference should be minimum.
- 2) Goals should be predetermined.
- 3) Policies, Rules and Procedures should be established to guide Decis.
- 4) Delegation should be Rewarded.
- 5) Upward Delegation should not be allowed.

## Types of Delegation of Authority

- 1) General or Specific Delegation.
- 2) Written or Unwritten Delegation.
- 3) Formal or informal Delegation.
- 4) Downward, Upward and sideward Delegation.

## Centralisation of Authority

Centralisation refers to systematic reservation of authority at central points within the Orgn. It implies that a majority of the decision regarding the work are made not by those doing the work, but a point higher up in the Orgn.

Factors determine effective Centralisation -

- 1) To Achieve uniformity of Action.
- 2) To Facilitate integration.
- 3) To Promote Personal leadership.
- 4) To Handle emergencies.

## Merits of Centralisation

- 1) Brings Economies.
- 2) Ensures smooth working.
- 3) Facilitates evaluation.
- 4) Facilitates Co-ordination of activities.

## Demerits of Centralisation -

- 1) Slows Down the Operations.
- 2) Huge workload on the Top level.
- 3) Lack of motivation.
- 4) Distance from Customers.
- 5) Absence of Specialization.



## Decentralisation of Authority

A systematic delegation of authority at entire levels of mgmt and in all departments of the Orgn for taking, decision and actions appropriate at the respective levels is called as Decentralized.

According to Louis A. Alien "Decentralization refers to the systematic effort to delegate to the lowest levels all authority except that which can only be exercised at central points."

### \* The factors that determine effective Decentralization.

- 1) Nature of growth
- 2) The outlook of the top management
- 3) The size and dispersal of operations.
- 4) Nature of functions.
- 5) Availability of capable managers.
- 6) Extent of Diversification.

### Merits of Decentralized Orgn.

- 1) Permits mgmt by objectives and self-control
- 2) Development of manager.
- 3) Better and faster decisions.
- 4) Independence of top mgmt

### Demerits of Decentralized Orgn.

- 1) Deficiency of able managers
- 2) Lack of co-ordination
- 3) Greater inconsistencies
- 4) Impaired handling of emergency situation
- 5) Narrow outlook of executives
- 6) Costly.



## Unit IV

Directing → Directing involves overseeing people at work making provision for the necessary facilities and creating a work environment, whereby employees may perform to the best of their abilities.

Directing as a function of mgmt is concerned with Instructing guiding and inspiring people in the Org to achieve its objectives.

S.S. Chatterjee ee The term Direction is the sum total of management efforts that is applied for guiding and inspiring the working teams to make better accomplishments in the Orgn.

### \* Characteristics / Features of Directing

- 1) Part of mgmt Process
- 2) An Ongoing Process
- 3) Pervasive
- 4) Action-Oriented Process
- 5) Connective function

### \* Need & Importance of Direction in a Business Enterprise

- 1) Integrates Employees' efforts
- 2) Means of motivation
- 3) Creates stability and Balance in the Orgn.
- 4) Creates Flexibility
- 5) Aims at Maximum Output
- 6) Ensures Better Human Relations.
- 7) Aims to Achieve Orgn objectives

### \* How is Co-ordination Important for Orgn.

- 1) Unity of Command
- 2) Unity of Diversification
- 3) Increase efficiency
- 4) Development of employees.



(9)

Leadership: A process of influencing the behaviour of others to work willingly and enthusiastically for achieving pre-determined goals is called leadership.

Leadership, as a process, shapes the goals of a group or org. Leadership motivates behaviour toward the achievement of these goals and helps define group or org culture. It is primary a process of influence.

According to Alan Keith "Leadership is ultimately about creating a way for people to contribute to making something extraordinary happen."

### Important characteristics of Leadership

- 1) Leadership is a process of influence.
- 2) Leadership is related to a situation.
- 3) There must be followers.
- 4) Working relationship b/w leader and follower.
- 5) Community of interest.

### Importance / Significance of leadership in an Orgn

- 1) Determination of goals.
- 2) Helps in achieving co-ordination.
- 3) Representative of workers.
- 4) Provides guidance.
- 5) Enhances employees' morale.
- 6) Inspiration of employees.
- 7) Acts as a motivating power.
- 8) Provides a conducive environment.
- 9) Boosts confidence.



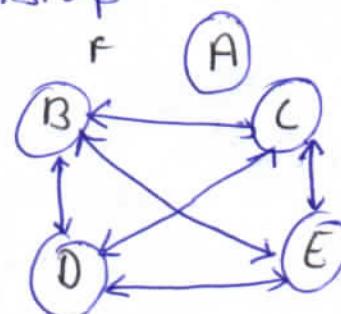
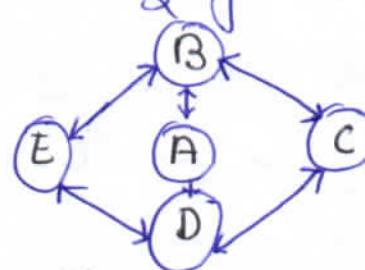
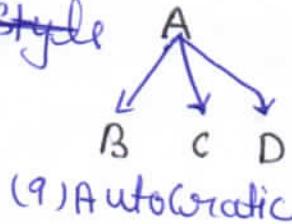
# leadership styles

1) Classic leadership styles → (i) Autocratic or Authoritarian leadership

(ii) Participative or Democratic leadership

(iii) Free-Rein or laissez faire leadership

2) ~~Style~~



2) Styles based on the relative emphasis

(L) Free Rein

3) Styles based on assumptions about people

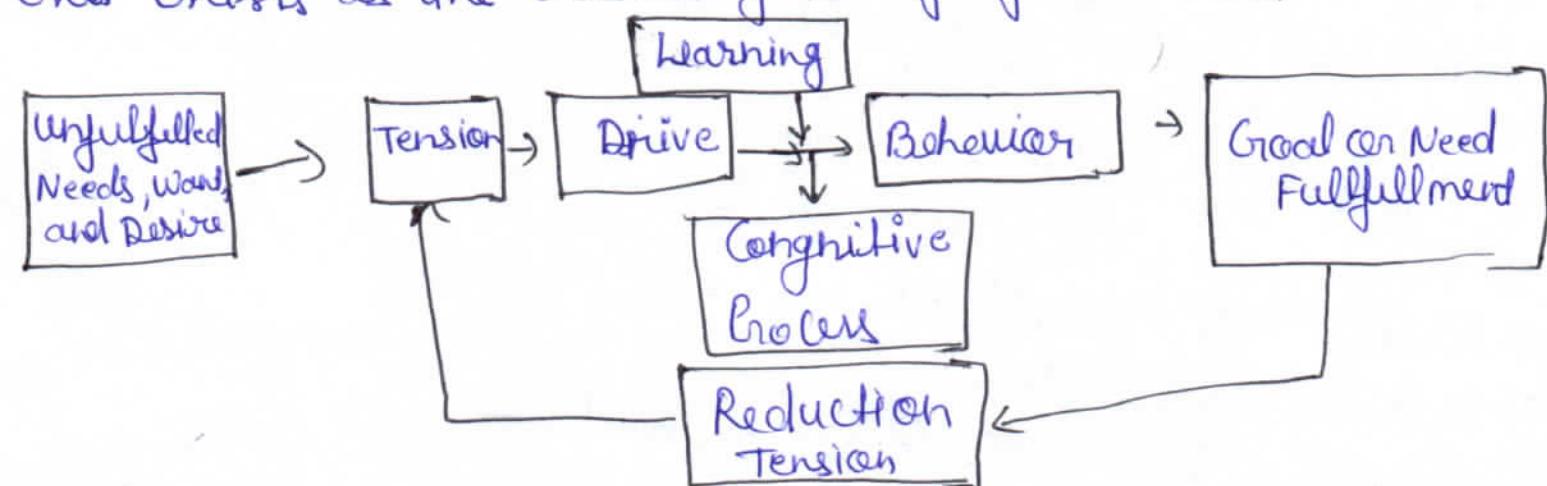
4) Likert's four Systems

5) Entrepreneurship leadership style



\* Motivation →

Motivation can be described as the driving force within individuals that propels them to action. This driving force is produced by a state of tension which exists as the result of an unfulfilled need.



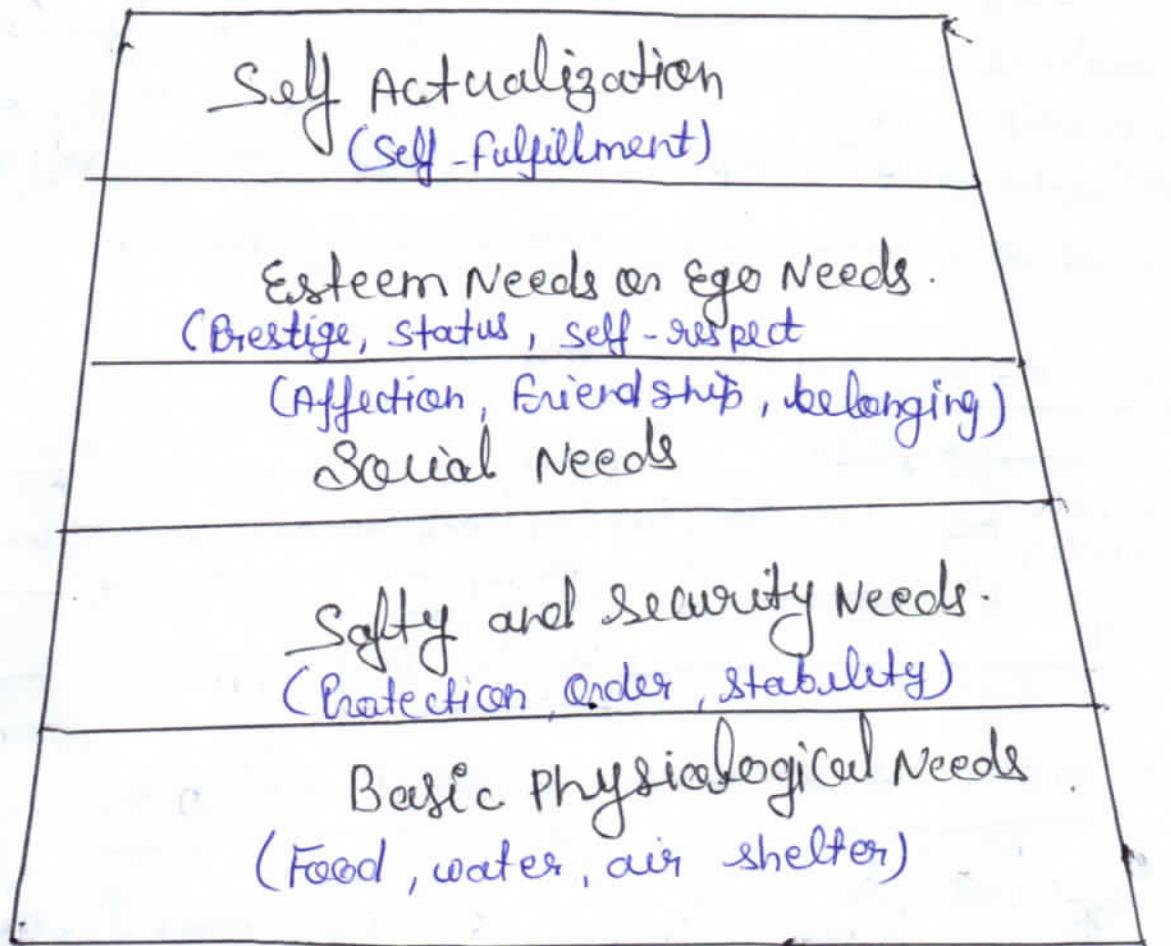
& Aceto S.P. Robbins states that motivation is the willingness to exert high levels of effort toward orgn goals, conditioned by effort and ability to satisfy some individual need.<sup>99</sup>

## Characteristics of motivation

- 1) A Psychological Concept
- 2) A Continuous Process.
- 3) Based on Assumption.
- 4) A Goal Oriented Process.
- 5) May be Positive or Negative



Hierarchy of Needs stated in Maslow's Motivation Theory



Maslow, Hierarchy of Need theory

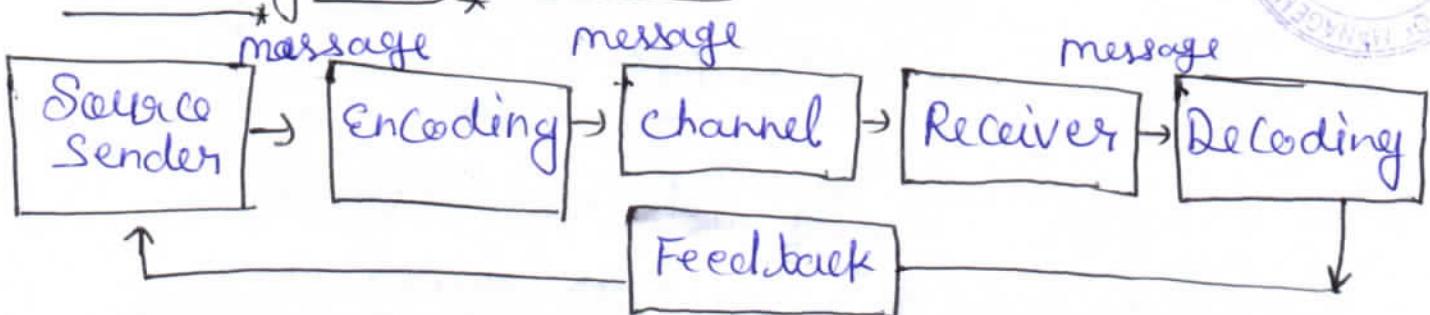
\* Communication → Comm. is the process in which two people, a sender (manager) and a receiver (employee), share or exchange ideas, attitudes, emotions and information b/w them to have common understanding - the Comm.-term. is derived from the Latin word 'Communi-care' that means to share to make common to impart to - Participate, convey or transmit.

According to Newman and Summer - It is an exchange of facts, Ideas, opinions or emotions by two or more person.

Nature of Communication

- (1) Universal Phenomenon
- (2) Unavoidable
- (3) A Continuous Process
- (4) ways to Achievement of the Orgn. Objective
- (5) Needs Proper understanding
- (6) Short-lived process
- (7) Two way traffic

Process of Communication →



\* Barriers in Business Communication

- (1) Different language
- (2) word
- (3) Picture
- (4) Poor Vocabulary
- (5) Noise
- (6) wrong choice of channel
- (7) Lack of Orgn. Facilities
- (8) Orgn. Policy
- (9) Poor listening.
- (10) Lack of knowledge.

\* Controlling → Controlling is employed to make things happen in accordance with the plans and programmes and rules and procedures laid down.

After the Planning Organizing, Staffing and Directing have been carried out, the final managerial function of Controlling is that the activities planned.

According to Koontz and O'Donnell "Controlling is the measuring and correcting of activities of subordinates to ensure that event conform to plan."

### Features of Controlling

- 1) Action-oriented process.
- 2) Universally applicable
- 3) A Continuous Process.
- 4) Interrelated with other functions of mgmt.
- 5) Involves measurement and evaluation.
- 6) Control is forward looking.

### Objectives of Controlling in an Orgn

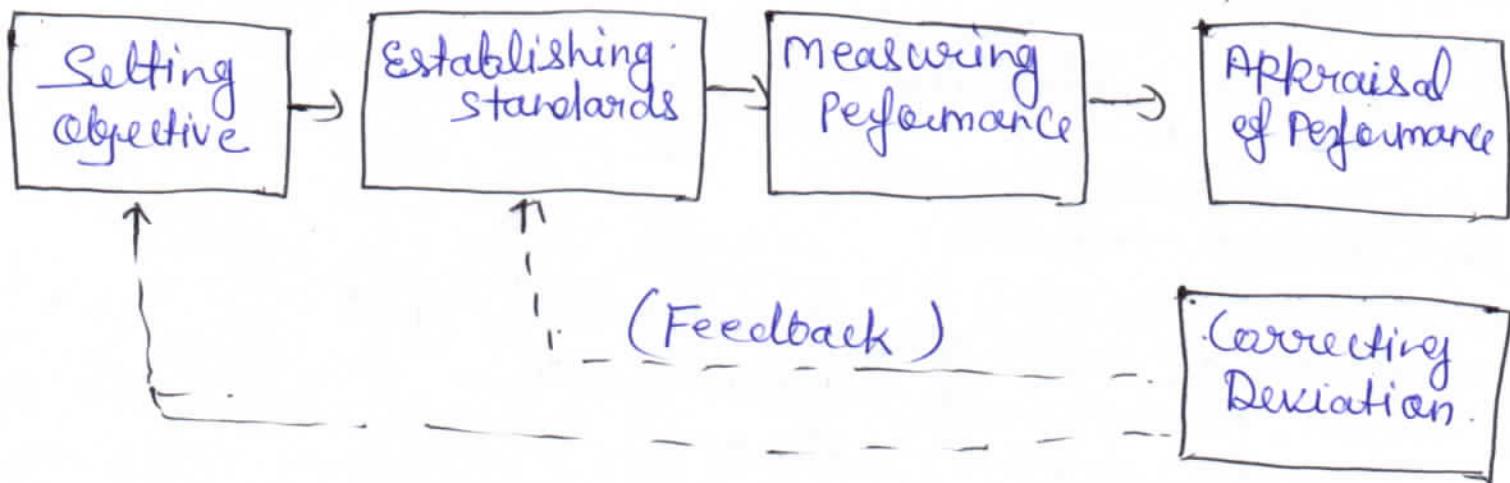
- 1) Ensure effective Decision-making.
- 2) Making Orgn effective
- 3) Making Plans effective
- 4) Motivation employees
- 5) To provide flexibility.
- 6) Ensuring maximum co-operation of Human Resources.
- 7) To keep a check on various undesirable Activities.
- 8) Optimum utilisation of Resources.



## Importance of Controlling.

- 1) Aims at Achieving the objective
- 2) Efficient use of resource.
- 3) Enhance employee morale
- 4) Create Better controlling
- 5) Ensures effective planning .
- 6) Assists in Decision-making -

## \* Process of Control



## \* Various techniques of Controlling →

- 1) Personal observation.
- 2) Statistical Data
- 3) Special Reports and Analysis
- 4) Operational Audit
- 5) Control through Costing .
- 6) Break-even analysis

$$B \cdot GP = \frac{\text{Fixed cost}}{\text{Contribution}} \quad C = \text{Saly} - \text{Variable cost}$$

- 7) Budget and Budgetary Control .