

NATURE AND SIGNIFICANCE OF MANAGEMENT

Management , Efficiency vs Effectiveness , Objective

Elements of Organizational Objectives

Characteristics of Management

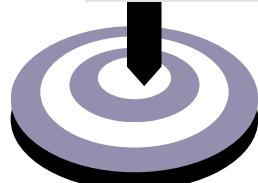
Management as an Art , Science and Profession

Importance of Management

Level of Management

Functions of Management

Coordination, Characteristics , Need and Importance



MANAGEMENT

EFFICIENCY

Efficiency means doing the given task correctly and with minimum cost.



Effectiveness

Effectiveness means finishing the given task in on time

Management is defined as a process of getting things done with the aim of achieving organizational goals or objectives effectively and efficiently.

“Management is the process of working with and through others to effectively achieve the organizational objectives by efficiently using limited resources in the changing environment.”

-Kreitner

Objectives of Management

Organizational Objectives

An organization has to achieve its different objective like Survival, Profit, Growth

Social Objectives

An organization has social objectives towards different groups of society like providing quality products at fair prices, generating employment opportunities, etc.,

Personal Objectives

An organization strives to fulfill personal objectives of its employees and also to reconcile their objectives with the organizational objectiveness. e.g., Competitive salaries, personal growth and perks for employees etc.

Elements of Organizational Objectives

Survial— An organisation can survive when it earns enough revenue to cover costs

Profit— After achieving the objective of survival, organisation should move towards earning profit for covering costs & risks of business.

Growth— Besides earning profits a business must grow in the long run in order to remain in the industry. A business can grow by increasing sales volume, no of employes, product & capital investment.

Elements of Social objectives

It involves fulfilling obligations towards society. This includes.

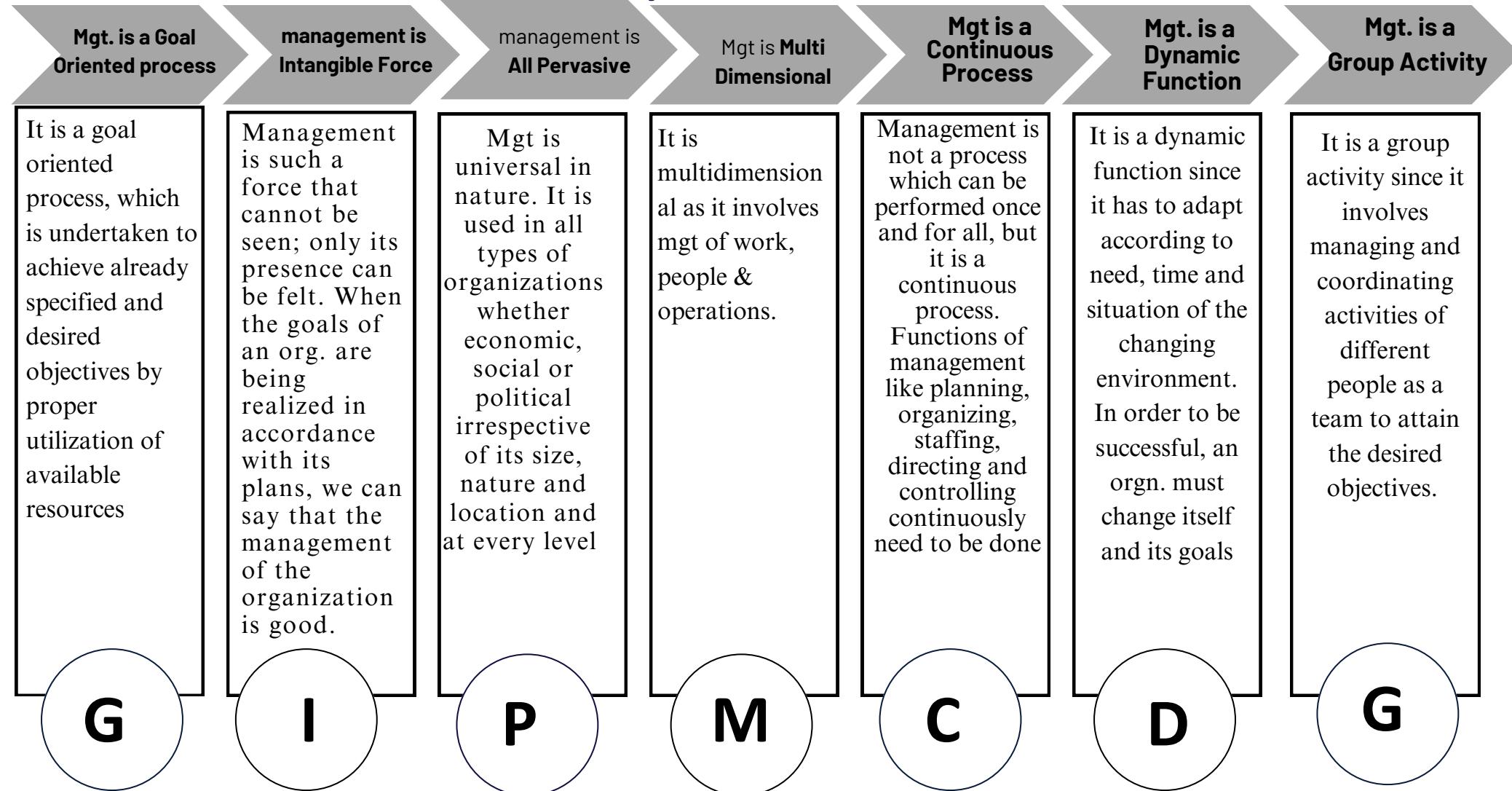
- Creating employment opportunities for society
- Providing/Producing good quality products & services.
- Protecting environment

Elements of Personal objectives

Personal objectives are concerned with satisfying needs of the employes such as:

- Giving competitive salary and perks to employees.
- Giving recognition to employees.
- Satisfying diverse needs of employess.

CHARACTERISTICS/FEATURES OF MANAGEMENT



3 DIMENSIONS OF MANAGEMENT

PEOPLE People (Employees) in the organisation are the most important assets. Despite the developments in technology, getting work done from people is still a very important job of each manager. It involves Staffing and directing

WORK

Work means the main task or purpose for which organisation is set up. It involves Planning, Organising, Controlling

OPERATION

Operations refer to activities of production cycle such as buying inputs, converting them into semi-finished goods and finished goods. It involves production, sales, purchase

Management as an Art

The features of art are as follows:

1. Existence of theoretical knowledge:

In every art, systematic and organized study material should be available compulsorily to acquire theoretical knowledge.

2. Personalised application: The use of basic knowledge differs from person to person and thus, art is a very personalised concept.

3. Based on practice and creativity:

Art involves the creative practice of existing theoretical knowledge.

1. Existence of theoretical knowledge ✓

2. Personalized application ✓

3. Based on practice and creativity ✓

CONCLUSION:

Hence, management can be said to be an art since it satisfies the all criteria

Management as Science

The features of Science are as follows:

1. Systematized body of knowledge:

Science has a systematized body of knowledge based on principles and experiments.

2. Principles based on experiments and observation: Scientific principles are developed through experiments and observation.

3. Universal validity: Scientific principles have universal validity and application.

1. Systematized body of knowledge ✓

2. Principles based on experimentation ✓

3. Universal validity ✗

CONCLUSION:

Since management deals with human beings and their behaviour, the outcomes of these experiments are not capable of being accurately predicted or replicated.

Therefore, management can be called an inexact Science / soft science/social science.

Management as Profession

The main features of profession are as follows:

1. Well-defined body of Knowledge: All the professions are based on welldefined body of knowledge.

2. Restricted Entry: The entry in every profession is restricted through examination or through some minimum educational qualification.

3. Professional Associations: All professions are affiliated to a professional association which regulates entry and frames code of conduct relating to the profession.

4. Ethical Code of Conduct: All professions are bound by a code of conduct which guides the behaviour of its members.

5. Service Motive: The main aim of a profession is to serve its clients.

1. Well-defined body of knowledge ✓

2. Ethical code of conduct ✗

3. Restricted entry ✗

4. Professional association ✓

5. Service motive ✗

CONCLUSION:

Since management does not meet the exact criteria of a profession, hence it is not treated as a Profession.

IMPORTANCE OF MANAGEMENT

Management helps in achieving group goals

Management creates team work and coordination in the group. Managers give common direction to individual efforts in achieving the overall goals of the organization.

Increases Efficiency

Management increases efficiency by using resources in the best possible manner to reduce cost and increase productivity.

Creates Dynamic organization

Management helps the employees to overcome their resistance to change and adapt as per changing situation to ensure its survival and growth.

Development of Society

Management helps in the development of society by producing good quality products, creating employment opportunities and adopting new technology

Achieving personal objectives

Management helps the individuals achieve their personal goals while working towards organisational objectives.

Level of Management



Consists of Chairperson, Chief Executive Officer, Chief Operating Officer President, Vice President or equivalent and their team.



Consists of Divisional or Departmental heads, Plant Superintendents and Operation Managers etc.



Consists of Foremen and Supervisor etc.

Supervisory Level of Management

Main task is to ensure actual implementation of the policies as per directions, bring workers' grievances before the management & maintain discipline among the workers, maintain the quality of output and minimise wastage

Top Level of Management

Chief task is to integrate and to coordinate the various activities of the business, framing policies, formulating organisational goals & strategies bearing the responsibility for the impact of activities of the business on society.

Middle Level of Management

Main tasks are to interpret the policies of the top management, to ensure the availability of resources to implement policies, to coordinate all activities, ensure availability of necessary personnel & assign duties and responsibilities to them.

1 Planning

Planning is the process of deciding what needs to be done, how it will be done, and when it will be done to achieve specific objectives.

2 Organising

Organizing refers to the process of arranging resources, tasks, and people in a structured and coordinated manner to achieve organizational goals and objectives.

Co-ordination



FUNCTIONS OF MANAGEMENT

3 Staffing

Staffing refers to the recruitment of various people in a team on the basis of their knowledge, experience, talent, skill, and areas of expertise.

4 Directing

Directing refers to the process of guiding, instructing, and supervising employees to achieve organizational goals.

5 Controlling

Controlling in management is the process of monitoring and evaluating performance against established standards to ensure an organization's activities align with its plans and objectives.

Co-ordination

Coordination is to synchronize the various activities of an organization. In the context of business unit, the meaning of coordination is to balance its various activities (purchase, sales, production, finance, personnel etc.) so that objective of business can be easily achieved. Lack of coordination results in overlapping, duplication, delay and chaos.

CHARACTERISTICS OF COORDINATION



COORDINATION INTEGRATES GROUP EFFORTS

It integrates diverse business activities into purposeful group activity ensuring that all people work in one direction to achieve organizational goals.

COORDINATION ENSURES UNITY OF ACTION

It directs the activities of different departments and employees towards achievement of common goals and brings unity in individual efforts

COORDINATION IS ALL PERVASIVE FUNCTION

It is universal in nature. It synchronizes the activities of all levels and departments as they are interdependent to maintain organizational balance

COORDINATION IS A CONTINUOUS PROCESS

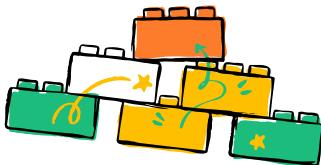
It is not a specific activity matter, it is required at all levels, in all departments till the organization continues its operations.

COORDINATION IS A DELIBERATE FUNCTION

It is equally important at all the Three-Top, Middle and Lower levels of management. Thus it is the responsibility of all managers that they make efforts to establish coordination.

COORDINATION IS THE RESPONSIBILITY OF ALL MANAGERS

Coordination is never established by itself rather it is a conscious effort on the part of every manager. Cooperation is voluntary effort of employees to help one another. Effective coordination cannot be achieved without cooperation of group members.



NEED FOR COORDINATION

Growth in the Size

Growth in the size of the organisation results in the increase in varied quality of manpower too with varied individual aspirations. Coordination seeks to match the individual goals with the organisational goals.

Functional Differentiation

Functional Differentiation arising out of departmentalisation and division brings forth a motive for achievement of individual objectives, in isolation from other objectives leading to departmental clashes. Coordination seeks to iron out these variations.

Specialisation

Specialisation can give rise to feeling of superiority and prioritising of their zone or activities. Coordination seeks to sequence and integrate all the specialist of activities into a wholesome effort.

Coordination is the Essence of Management

Coordination is not a separate function of management. It is the force that binds all the functions & thus, called the essence of management.

Coordination in Functions of Management

Planning – Coordination between the master plan and departmental plan.

Organising – required between authority, responsibility and accountability

Staffing – Achieve balance between job requirement and qualities of personnel

Directing – Required between supervision, motivation and leadership.

Controlling – Ensure actual result conform to expected results

Coordination in Levels of Management

Top level – needs coordination to integrate activities of the organisation for accomplishing the organisational goals.

Middle level – Coordination of the efforts of different sections and sub-sections

Lower level – Coordination in the activities of workers to ensure work progresses as per plans

Clues to Crack Case

SN.	Clue in the case study	Used Concept
1	Intangible force Intangible Process “Successful organizations do not achieve their goals by chance but by following a deliberate process”	Management
2	Achieving target (in Time)	Effectiveness
3	Reducing cost	Efficiency
4	Quality of management Binding Force Essence of management Synchronisation Minimum Conflicts, Time sequence of efforts	Coordination
5	Two side of a Coin	Efficiency and effectiveness
6	Department heads/ divisional heads	Middle level
7	Implicit and inherent in all functions / level of management/ Minimum of conflict	Coordination
8	Replace I with We :Feature of Management	Group Activity
9	Superintendent	Lower/ operational
10	Plant superintendent	Middle
11	To Achieve end result/ Doing the right task	Effectiveness
12	Human resources are the most important assets of an Organisation. Dimension	People
13	The objectives aim at Prosperity	Organisational objective
14	An efficient Manager is the one who brings maximum prosperity for employer as well as employees	Management helps in achieving personal objectives
15	Change in Organisation, Change in goal, Change in Technology match to environment	Dynamic
16	Restricted entry/ exam barrier/ service motive	Profession
17	Whenever any blame game or confusion or chaos between departments due to	Absence of Coordination