



Q: What is management?

The word “MANAGEMENT” is used in different ways. Management as a collective noun means a group of persons. As a verb managing refers to a process.

Management is an individual or group of individuals that accept responsibility to run an organization. They plan, organize, direct and control all the essential activities of an organization. Management does not do work themselves, they motivate others to do the work and co-ordinate (i.e., bring together) all the work for achieving the objectives of the organization. Just as the mind co-ordinates and regulates all the activities of a person, management co-ordinates and regulates the activities of various members of an organization.

In other words we can say that management is an art of getting things done through the efforts of others effectively and efficiently by satisfying their needs

Objectives of management:

Managing an organization effectively requires the formulation of clear objectives. Objective serves as guidelines or landmark for action and efforts to achieve managerial goal. Well defined objective steers an organization to success.

The objectives of management are classified in three categories Organizational objective, Personal objective and Social objective

Organizational objectives include:

- 1) Reasonable profit on capital investment.
- 2) Improving the goodwill of the enterprise.
- 3) Growth and expansion of the enterprise.
- 4) Survival and solvency of the business, i.e., its continuity

Personal objective includes:

- 1) Fair remuneration for work performed.
- 2) Reasonable work conditions.
- 3) Opportunities for training and development.
- 4) Reasonable security of service.

Social objective





EZAIR COMMERC'IA

Under this objective the manager promises to assure health, safety and price control.

Main social objectives of management are included in the following list:

- (i) To make available employment opportunities
- (ii) To save environment from getting polluted
- (iii) To contribute in improving living standard of people. **For example:** Steel Authority of India regularly provides services related to agriculture, industry, education, health, etc. to the people living nearby its steel plants.

Importance of management:

Management is very important for every organization. In absence of efficient management, the resources will remain resources and cannot be converted into finished products. The importance of management can be clearly judged by the following points.

1) Management helps in achieving group goals:

organization consists of number of persons who work as a group. Management helps in achieving group goals by giving a common direction to the individual effort. For example employee's objective is to earn maximum wages whereas the organizational objective is to maximise output. Employees can achieve their objectives by maximising output which helps in the achievement of organizational goal too. This is what management strives to achieve.

2) Management increases efficiency:

The main aim of every manager is to minimise the cost and increase the output through effective planning and controlling . Efficiency increases when we use fewer resources (inputs) and achieve more benefits or output. Management uses inputs efficiently by properly allocating them to reduce wastage which ultimately decreases cost and thus leads to higher profits.

3) Management helps in achieving personal objectives:

Management not only helps in achieving the organizational objectives but also the personal objectives of the employees by providing

- a) Fair remuneration for work performed.
- b) Reasonable work conditions.
- c) Opportunities for training and development.
- d) Reasonable security of service.





4) Management helps in the development of the society:

it helps in the development of the society by

- (i) making available employment opportunities
- (ii) saving environment from getting polluted
- (iii) contributing in improving living standard of people.

5) Management creates a dynamic organization:

The environment in which an organization works is subject to continuous change and the people working in the organization resist change because management usually provides training to its employees in order to cope up in the cut throat competition.

Functions of MGT:

PLANNING - Planning is a preliminary managerial function and a process of deciding in advance the future business targets and framing out the path of attaining those targets. It implies decision making, what should be done, how it should be done, who will be responsible for doing it and where action is to be taken. Planning bridges the gap between where we are and where we want to go.

ORGANIZING:- Every enterprise needs various factors of production like men, material, money, machinery and methods. All these resources are brought together with the help of organizing. The aim of organizing is to enable people to relate with each other and to work together for a common purpose. The organized group of people in a collective sense is known as organization. It allocates authority and responsibility to various individuals as per their jobs defined.

STAFFING:- Finding the right people for the right job is called staffing. It begins with estimating manpower requirements and includes different other functions like recruitment, selection, placement, training, development and performance appraisal. Staffing function of management is also known as human resource function. In an existing enterprise, staffing is a continuous process because new jobs may be created and some of the existing employees may leave the organization.

The function of staffing is having positive correlation with the qualification of the





employees, i.e., more the qualification higher will be the post, less the qualification, lesser will be the post

DIRECTING:- Directing means telling people what to do and seeing that they do it to the best of their ability. A manager may plan and organize but no tangible results can be achieved until the plan is implemented. This is done by directing which literally means 'moving into action'. It is also known as the heart of management. There are four elements of directing viz- supervision, motivation, leadership and communication

CONTROLLING:- In the cycle of management functions, it is the last function. In the process of controlling a manager observes what is being done, how well it is being done and to what extent it is deviating from the desirable standards, then he takes corrective measures to correct deviations so as to ensure organizational objectives. In short, controlling is the measurement and correction of performance of subordinates.

Levels of MGT:

TOP LEVEL MGT:- Top MGT consists of managers at the highest level in the MGT hierarchy. This level consists of the chairman, managing director, and board of directors, chief executives and general managers. It concentrates more on thinking than doing. It lays down overall objectives, plans and policies. It controls the whole organization and appoints executives/ managers for the middle level.

MIDDLE LEVEL MGT; - Authority flows from top to bottom. Top MGT delegates authority to middle level. This is a link between the top and the lower level MGT. this level consists of departmental managers, deputy head of departments, sectional officers such as branch managers, accountants etc.,. Middle level MGT devotes more time to the organizing and directing function of MGT. it evaluates the performance of junior managers and transmits the same to the top level MGT.

LOWER LEVEL MGT:- lower level MGT is known as supervisory MGT, because it is concerned mainly with the operative employees. It consists of factory supervisors, superintendent, foreman, sales supervisors, accounts officers etc. There are no managers below this level. They directly guide and control the performance of workers. They issue orders and instructions and guide day to day activities. They also represent the grievances of the workers to the higher levels of MGT.





IS MGT SCIENCE OR AN ART.

Before forming the final opinion on this discussion whether MGT is science or an art or both. We must first know what science and art is.

Science is a systematized body of knowledge based on observations, experiments and its principles are universally acceptable. It is a sort of knowledge which shows the relationship between cause and effect. On the other hand art means practical application of theoretical knowledge. In other words it is a skill which is acquired by a person through consistency and varies from person to person.

If the qualities of science and art are fulfilled by MGT, we can say that MGT is both science as well as an art. MGT is science because its principles like 'unity of command, scalar chain, discipline etc. is followed in every organization. Also its principles show the relation between cause and effect. E.g., the principle of unity of command states that if there is more than one boss, confusion will occur. Here multiple head is the cause and confusion is the effect. MGT is an art as manager is an artist. He skillfully gets things done from others. Just like a doctor diagnosis his patients likewise manager diagnosis his organization.

From the above conclusion we can say that MGT is both science as well as art. In other words, MGT has two sides; one side is science and second is of art.

ADMINISTRATION

The term administration is applicable to non-business institutions like govt. offices military organizations, social, cultural and religious organizations. Administration means overall determination of policies, the setting of major objectives, laying out broad programs and major projects. Thus administration is concerned with policy making for achieving the given objectives. In other words, administration is a thinking function and is important at higher level.

Difference between MGT and administration-

- 1- The term MGT is applicable to business enterprises whereas the term administration is applicable to non-business institutions like govt. offices, military organizations, social, cultural and religious organizations.
- 2- MGT functions are of executive nature, whereas administration function is of decision making nature.





EZAIR COMMERC'IA

3- Planning, organizing, directing, staffing and controlling are the functions of MGT. whereas formulation of broad objectives, plans, policies are the main functions of administration.

4- MGT is more important at lower level whereas administration is more important at higher level.

5- MGT is a doing function, whereas administration is a thinking function.

Coordination

Co-ordination is not a separate function of management but an essence of management because each of the managerial functions, planning, organizing, staffing, directing and controlling is an exercise on Co-ordination. Co-ordination is the means of achieving harmony of group and individual endeavor for the accomplishment of organizational objectives. It develops team spirit and help's in achieving organizational goals through collective efforts. In order to achieve organizational goals only physical co-ordination is not necessary, there should be mental Co-ordination as well. A successful orchestra conductor creates Co-ordination among his orchestra men by using his gestures and produces harmony in music.

Characteristics of co-ordination.

- a) Co-ordination is a pervasive function.
- b) Co-ordination integrates group efforts.
- c) Co-ordination ensures unity of action.
- d) Co-ordination is a continuous process.
- e) Co-ordination is the responsibility of all managers.
- f) Co-ordination is a deliberate function.

Importance of coordination

The importance of coordination is as under

size of the organization: As organization grows in size, the number of people in the organization also increases. They may work for cross purposes. So coordination is needed to integrate their efforts and activities, i.e., to bring unity of action. For organizational efficiency, it is important to harmonize individual goals though coordination.





EZAIR COMMERC'IA

Functional differentiation: in an organization, there may be separate departments of production, finance, marketing and human resources. All departments have their own objectives, policies, strategies, etc. so there may arise conflict among them. In order to avoid conflict among them, coordination is essential to link the activities of various departments.

Specialization: in modern organizations, there is high degree of specialization. The organization hires specialists who are competent to handle their jobs. They do not take advice or suggestions from other members, which leads to conflict between them. Therefore coordination is required to avoid conflict between the specialists and the other members of the organization.

Efficiency: The group efforts result economies of scale which brings cost to the minimum with the maximum output. Thus coordination brings efficiency to the business

Q: Management as a profession.

Profession is an occupation requires specialized knowledge and the entity must be regulated by the professional body. Management may regard as profession because of the following facts:

- a) It is backed by a specialized and well- defined body of knowledge.
- b) Various associations such as National Institute of Personnel Management, Calcutta have prescribed codes of conduct for their members.
- c) The management practices require training and formal education.
- d) Management has a service motive.
- e) Nowadays organizations specify specialized knowledge to its employees as they must be competent to compete with other managers.

