

Unit 1- Introduction to Management

SESSION-1 Meaning, Definition of Management

<i>Learning Objectives</i>	<i>Knowledge Evaluation</i>	<i>Performance Evaluation</i>	<i>Teaching method</i>
To understand the meaning, definition & Concept of Management.	<ul style="list-style-type: none"> • Meaning of Management. • Definition by various management experts & thinkers. • Concept of management. 	<ul style="list-style-type: none"> • Define management. • Explain in brief the meaning of management. • Describe management as <ul style="list-style-type: none"> ➤ An activity ➤ A process ➤ An academic discipline ➤ As a group 	Interactive lecture <u>Activity</u> Group discussion

Session 2 Features, Importance, Functions of Management

<i>Learning Objectives</i>	<i>Knowledge Evaluation</i>	<i>Performance Evaluation</i>	<i>Teaching method</i>
To Understand the characteristics and significance of management.	<ul style="list-style-type: none"> • Features of management. • Importance of management. • Functions of management. 	<ul style="list-style-type: none"> • Describe the various features of management. • Highlight the significance of management. • Explain in brief the functions of management. 	<ul style="list-style-type: none"> • Interactive lecture <u>Activity</u> Group discussion

Session 3 Levels of Management

<i>Learning Objectives</i>	<i>Knowledge Evaluation</i>	<i>Performance Evaluation</i>	<i>Teaching method</i>
To Understand the hierarchy of levels of management.	<ul style="list-style-type: none"> • Top level management - meaning & functions. • Middle level management - meaning & functions. • Operative level management – meaning & functions. 	<ul style="list-style-type: none"> • Elucidate the various levels of management. • List out the functions of top level management. • Explain in brief the features & functions of middle level & operative management. 	<ul style="list-style-type: none"> • Interactive lecture <u>Activity</u> Prepare a PPT on levels of management of any multinational co.

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Session 4 Management & Administration

<i>Learning Objectives</i>	<i>Knowledge Evaluation</i>	<i>Performance Evaluation</i>	<i>Teaching method</i>
To Understand the concept of Management & Administration.	<ul style="list-style-type: none">• Meaning of Management & Administration.• Difference between Management & Administration.	<ul style="list-style-type: none">• Briefly explain the concept of Management & Administration.• Distinguish between Management & Administration.	<ul style="list-style-type: none">• Interactive lecture <p><u>Activity</u> Prepare a chart highlighting the differences between Management & Administration.</p>

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CASE STUDY

Companies come in all kinds. There are some who keep a hawkish eye over its employees, banning even the use of mobile phones in office, and there are others who mandate on somberly silence and colonial formalities in the office.

But at the other end of the spectrum there are establishments, which allow employees to work from home and believe in a schedule which is more result-oriented than maintaining a military discipline.

These companies with a human face reach out to its employees in the time of crisis, supporting them and even taking care of the medical expenses of the ailing members in their family. Gone are the days when employees only looked for high paying jobs in a ruthless office set up.

Even high-paid employees agree that money does not matter after a certain point, it is job satisfaction and a cordial office atmosphere that ultimately makes a difference.

At a time when work-related stress is taking a toll on the life of employees, it is refreshing to see some companies go out of the way to make their staff love the work they do and also ensure they have a great work-life balance.

In a survey conducted by Great Place to Work Institute and the Economic Lines. Seven hundred companies across 20 sectors were surveyed. The responses of 1.8 lakh employees showed that MNCs were better than Indian companies in terms of best workplaces.

Google was adjudged the best company to work for in India.

‘Fitness and fun are woven into Google's history’

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When it comes to facilities, working environment and benefits, work-life balance, very few companies can compete with Google.

The company makes sure the employees get the right environment to grow to their true potential.

With a creative and colourful ambience, offices are designed to promote fun-filled innovation as the company believes it is crucial for employees to think creatively and give their best.

“The employees have access to the best and brightest IT specialists to help get their jobs done. The TechStop is Google in-house tech support shop, it provides Google employees guidance with all hardware and software needs and problems at any time,” says a Google spokesperson.

Access to best facilities.

The employees at Google get to use the company's products to get work done, and beta-test products that haven't been released to the public yet.

Employees have access to fully equipped gyms across offices in India with trainers and customized health programs.

Employees can play table tennis, pool, football, air hockey and other games in the recreation area, or go to one of the several sleep pods for a quick nap.

Fun at work “We have numerous special facilities which helps our employees maintain a work-life balance. Every week on Friday, Google hosts TGIF (Thank God It's Friday) after 4 p.m. where everyone mingles and works together. This gives an open platform to employees to collaborate more. Furthermore, Google encourages its employees to pursue their passion, be it in music or drama or some other form of art,” says the spokesperson.

The company is strongly looking at removing bureaucratic delays and any policies that hinder speedy decisions.

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“Each year, the company organizes a 'bureaucracy buster' day where employees can suggest changes to minimize policies and reduce excessive guidelines,” the spokesperson adds.

Women’s initiatives Women’s empowerment is another focus area. Google offers academic scholarships to future leaders in technology and supporting employee resource groups like Women@Google.

Food

Food at Google offices is another attraction. Three meals and unlimited snacks from the cafeteria are totally free of cost. Meals are made as healthy as possible along with an elaborate menu.

For families Involving families, Google hosts its annual 'bring your children to work' day. On this day, the company organizes engagement activities for children. Additionally, new employees at Google can even bring their parents to work on a designated day.
[source – www.rediff.com/business]

Google is an example of a successful organization among the top MNC’s of India. It has risen to this level due to its good corporate governance & management policies. A friendly working environment, special healthcare facilities, flexible work hours, work from home options, women-friendly policies and support among the team members keep employees highly motivated in this 1 company.



1.1 Meaning of Management

Every human being has several needs & desires which can be satisfied only by working & living together in organized groups & institutions. In this way the people satisfy their economic & social needs. As a result there are several types of groups e.g. Family, school, government and

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business firm etc. Such groups achieve their goals by working in controlled & coordinated manner.

Management involves coordinating and overseeing the most activities of others so that their activities are completed effectively & efficiently. The 21st century economy has become knowledge based and is performance driven. It is driven by innovations & technology & organizations have to transform themselves to serve new customer expectations.

The manager of today must integrate management skills with new approaches that emphasize the human touch, enhance flexibility & involves employees. Management is needed in all types of organization, at all levels of organization, in all organization work areas throughout the world.

Management=Manage+men+t(tactfully)

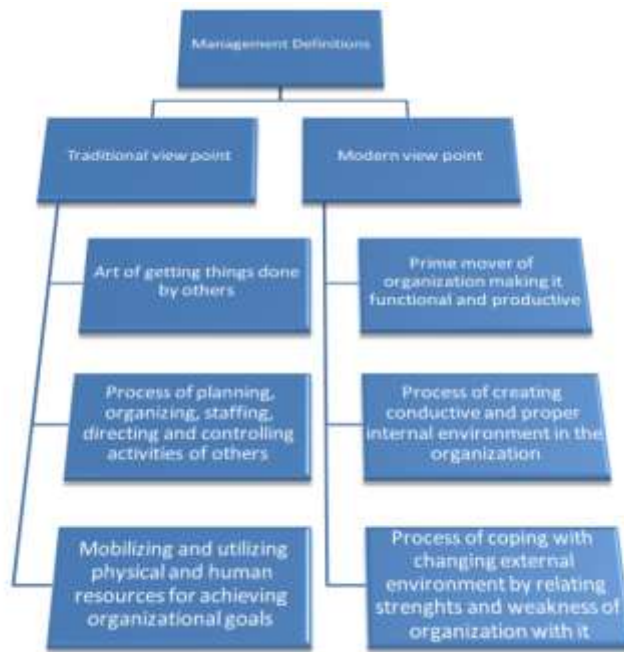
1.2 Definitions

According To Harold Koontz *"Management is the art of getting things done through others and with formally organised groups."*

According to George R. Terry *"Management Is a distinct process consisting of planning, organising, actuating and controlling; utilising in each both science and art, and followed in order to accomplish pre-determined objectives."*

According to Massie & Douglas "Management is the process by which co-operative group directs actions towards common goals."

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1.3 Concept of Management

The term management has been interpreted in several ways –

1. **Management as an Activity** – Management is an activity just like playing, studying, teaching etc. It is an art of getting things done through efforts of other people. The management activities consist of
 - Interpersonal activities
 - Divisional Activities
 - Informative Activities
2. **Management as a process** – Management is considered as process as it comprises of series of interrelated functions which lead to achievement of organization goals. Management as a process has following implications.
 - Social Process
 - Integrated Process
 - Continuous Process
 - Interactive Process

The elements of Management Process are Planning, Organising, Staffing, Directing and controlling.

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3. **Management as an academic discipline** – Management has emerged as a specialized branch of knowledge. It comprises principles & practices for effective management of organization. There are many management institutes imparting education in various fields of management.
4. **Management as a group** – The term management is frequently used to devote a group of managerial personnel. All the managers i.e. Chief executive, departmental heads, supervisors are collectively called Management. So, management is concerned with all those who manage the affairs of an organization.

2.1 Characteristics of Management

1. **Management is universal** – The principles & techniques of management have universal application. They are not rigid. They can be modified & applied in different situations.
2. **Management is goal oriented** – The basic goal of management is to ensure efficiency & economy in the utilization of human, physical & financial resources. Managerial success is measured by the extent to which the objectives are achieved. Thus management is purposeful.
3. **Management is an intangible force** – Management is an unseen force which cannot be seen but its presence can be felt in the form of results, targets achieved according to plans, satisfied employees & orderliness in the organization.
4. **Management is pervasive** – Management is an essential element of every organised activity irrespective of the size or type of organization i.e. Government, business, sports, university or hospital. It is also prevalent in all the levels of the organisation, and in all the departments.
5. **Management is a continuous process** – Management functions are continuous & never ending. These functions are simultaneously performed by all managers all the time i.e. planning, organizing, staffing, directing & controlling.
6. **Management is a dynamic function** – Management is a dynamic function as it has to adopt the changes according to the need of the environment & growth of the business.
7. **Management is multi-dimensional** – It is multidimensional as it involves management of work, people & operations.

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2.2 Importance of Management

The efficient management of human & material resources is essential for achievement of objectives of any organization. The success of any business lies in the quality of management. The significance of management will be more clear through the following points :-

1. **Determination of objectives** – Management helps in determining the objective of the organization. No organization can succeed in its operations unless its objectives are identified & well defined. These objectives have to be communicated to all the people working in the organization.
2. **Achievement of the objectives** – Management plays a vital role in accomplishment of organizational objectives & goals. The coordination & integration of material & human resources helps in achieving the pre-determined goals effectively & efficiently.
3. **Efficient use of resources** – An efficient management can lead a business towards growth & prosperity. Management reduces wastage of human, material & financial resources through proper planning & control.
4. **Encourages innovation** – Management encourage innovation in the organization. Innovation brings new ideas, new methods, new products & makes the organization more competitive.
5. **Personal objectives** – Personal objectives are concerned with satisfaction of financial & social needs of the employees. Through motivation & direction management helps the individuals to achieve their personal goals while working towards organizational objectives.
6. **Economic development** – Management helps in development of the society by producing good quality products, creating employment opportunities & adopting new technology.
7. **Creates dynamic organization** – Management helps the employees to overcome their resistance to change & adopt as per changing situation to ensure its survival & growth.

2.3 Functions of Management

According to functions approach managers perform certain activities to effectively & efficiently coordinate the work of others. They are classified as –

1. **Planning** – It involves defining jobs, establishing strategies for achieving those goals & developing plans to integrate & coordinate activities.

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2. **Organising** – Involves arranging & structuring work to accomplish the organization goals.



3. **Staffing** – Involves manning the organization structure through proper & effective selection.



4. **Directing** – Involves influencing, guiding supervising & motivating the subordinate.



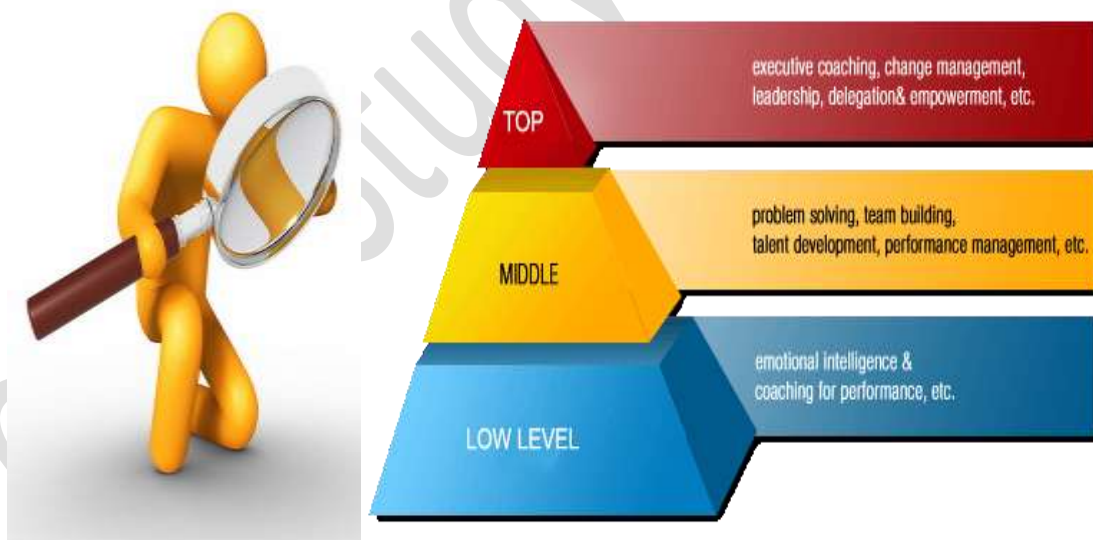
5. **Controlling** – Involves monitoring, comparing & correcting work performance.

3.1 Levels of Management

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In any organization all those who are responsible for the work of others are known as managers. Though their primary task remains the same – getting the things done by others. Wide variance exist with regard to authority & responsibility of managers. These differences are largely due to the differences in the levels of management. We normally visualize a company's management as a pyramid.



3.2 Top level Management

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Top management constitute the highest level in the management hierarchy. This level consists of small group of executives who are the senior most in the organization. Top management has the maximum source of authority & it establishes goals & policies for the enterprise.

Top Management consist of

1. CEO (Chief Executive Officer)
2. COO (Chief Operating Officer)
3. BOD (Board of Directors)
4. CFO (Chief Finance Officer)
5. Chairman
6. President
7. Vice President
8. M.D. (Managing Director)

Functions of Top Management

1. To lay down the objectives of the enterprise.
2. To prepare strategic plans & policies for the enterprise.
3. To assign jobs to different individuals working at middle level.
4. To arrange all the finance required to carry on day to day activities.
5. Top level management is responsible for the survival & growth of the organization.
6. It makes liaison with the outside world like government, suppliers, media, public etc.
7. It reviews the performance and controls the activities of all departments.

3.3 Middle level Management

Middle level constitutes the execution level of the organization i.e. the departmental heads. They are responsible to the top management for the efficient function of their department & for executing the plans & policies made by top level.

Middle level consists of heads of the various departments.

- Purchase Manager
- Finance Manager
- Human Resource
- Executive Officer
- Plant Superintendent

Functions of Middle Level Management

1. They act as a linking pin between the top & lower level management.
2. They organize all the resources & activities of their department.

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3. They execute & implement the plans of the organization in accordance with the policies of the top management.
4. They select, appoint & train employees of their department.
5. They evaluate the performance of their subordinates & prepare performance appraisal reports.
6. They offer various incentives to employees so that they perform to best of their ability & ensure higher productivity.

3.4 Lower Level management

Lower Level Management can also be termed as Supervisory Management/Operational Management/First-time Management.

It refers to the lowest level in the hierarchy of the organization. It is directly concerned with the control over the performance of the operative employees. They devote more time on the supervision of workers. Their authority & responsibility is limited.

It consist of

- Foreman
- Supervisors
- Sub-department Executives
- Clerks

Functions of Lower Level Management

- To represent the problems or grievances of workers before the middle level management.
- To plan & organize the activities of their unit.
- To provide training to workers.
- To maintain good working conditions & developing healthy relations between superior & subordinate.
- To communicate with workers, listen to their suggestions & motivate them to take initiative.
- To maintain discipline among the work force.
- To maintain standard of quality, ensure steady flow of output & minimize wastage.

4.1 Management & Administration

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Management is the key function in any organization “It is the function of working with people & coordinating their efforts so as to accomplish the objectives of the organization”. Every institution requires making of decisions, handling people, evaluating their performance & achieve the objectives.

According to Newman “Administration means guidance, leadership & control of the efforts of the groups towards some common goal”. Administration lays down the fundamental framework of an organization, within which the management of the organization functions.

Administration is concerned with laying down of policies, determining goals and management is concerned with implementation of the policies for achievement of goals. Every manager spends a part of his time in performing administration function & remaining in management function.

Administration vs. Management

Administration

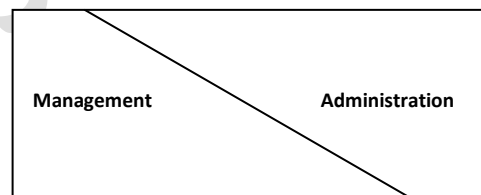
- It is the process of determining the objectives
- It lays down the policies and principles
- It prepares the framework
- It provides direction, guidance and leadership
- It provides guidelines

Management

- It is the process of planning the work
- It executes the policies and programmes
- It supervises and controls
- It coordinates activities
- It derives strength from administration



As shown in the figure above Top level management devotes more time to administration function & less time to managerial function. But as we move down the hierarchy lower function managers spend more time in implementation of policies (i.e. management) rather than framing the policies & procedures (i.e. administration).



Top Level Management

Mid Level Management

Lower Level Management

4.2 Difference between Management and Administration

<u>BASIS</u>	<u>MANAGEMENT</u>	<u>ADMINISTRATION</u>
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Meaning	Management means getting the work done through & with others	Administration is concerned with the formulation of objectives, plans, policies of the organization.
Level	Management is relevant at Middle & Lower Level or Management	Administration is relevant at top level Management.
Nature	It is an executing function	It is a decision making function
Skills	Technical & Human Skills	Conceptual & Human skills
Applicability	It is applicable to business concerns i.e. profit making organization.	It is applicable to non business concerns i.e. clubs, schools, hospitals etc.
Process	Management decides who should do it and how it is to be done.	Administration decides what is to be done & when it is to be done.
Influence	The decisions are influenced by opinions, values, beliefs of managers.	The decisions are influenced by public opinion, government policies, custom etc.
Function	Management is a doing function because manager get work done their subordinates.	Administration is a thinking functions because plans & policies are determined under it.

4.3 Conclusion

Theoretically both the terms are different but when put into practice the terms can be used interchangeably as all the levels of management are performing both administrative & functional activities.

Summary

1. **Management** : *"Management is the art of getting things done through others and with formally organised groups."*
2. **Concept of Management** : Management can be understood as -
As an Activity, Process, Academic Discipline and as a Group
3. **Characteristic of Management** : Features of Management are -
Universal, Goal Oriented, Intangible Force, Pervasive, Continuous Process, Dynamic and Multi-Dimensional

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4. **Importance of Management** : Management helps in -

Determination of Objectives, Achievement of the Objectives, Efficient use of resources, Encourages innovation, Personal Objectives, Economic Development, Creates Dynamic Organization
5. **Functions of Management** : Management functions comprises of -

Planning, Organizing, Staffing, Directing and Controlling
6. **Levels of Management** : Management consists of 3 levels i.e. -
 - 1) **Top Level** – Maximum authority, establish goals for the enterprise
 - 2) **Middle Level** – Responsible for efficient functioning of different departments
 - 3) **Lower Level** – Direct control over performance of operative employees
7. Management is doing function and Administration is a thinking function.

Key Words

1. Management
2. Pervasive
3. Planning
4. Organising
5. Staffing
6. Directing
7. Controlling
8. Administration
9. Supervision
10. Motivation

SELF TEST QUESTIONS

1. Choose the Correct Answer

- 1) Management is the of getting things done through others.
(Art/Science/Business)

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- 2) Management is considered as as it comprises of series of inter related functions which lead to achievement of organization goals. (Activity/Process/Discipline)
- 3) Management is an force. (Tangible/Intangible/Universal)
- 4) involves arranging and structuring work to accomplish the organization goals. (Planning/Organising/Staffing)
- 5) Level of Management is directly concern with the control over the performance of the operative employees. (Top/Middle/Lower)

2. Fill in the blanks

1. The Principles and Techniques of Management are applicable.
2. involves manning the organization structure through proper and effective selection.
3. Involves monitoring, Comparing and correcting work performance.
4. Middle level constitutes the level of the organization.
5. is concerned with the formulation of objectives, plans and policies of the organization.

3. Match the following

1. Personal Objective	1. Involves defining jobs, establishing strategies
2. Planning	2. Creating new ideas, new methods, new products to make the organization more competitive
3. Directing	3. Framing policies and procedures
4. Innovation	4. Through motivation and direction, Management helps the individuals to achieve their personal goals while working towards organizational objectives
5. Administration	5. Involves influencing, guiding, supervising and motivating the subordinates

4. True or False

1. Management functions are continuous and never ending.
2. Management does not help in development of the society.
3. Controlling involves motivating the subordinates.
4. Management ensures efficiency and economy in the utilisation of human, physical and financial resources.
5. Administration is applicable to business concern only.

5. Answer the following briefly

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- 1) Identify and explain the basic characteristic of Management involved in the statement – “The Activities involved in managing and organization are common to all organizations whether economic, social or political”.
- 2) “Lack of proper management result in the wastage of time, money and efforts” in the light of this statement explain the importance of management.
- 3) Raman is working as “Plant Superintendent” in ABC Ltd. Name the managerial level at which he is working. State any four functions he will perform as “Plant Superintendent” in this company.
- 4) Rajat is working as “Regional Manager” in XYZ Ltd. Name the managerial level at which he is working. State any four functions he will perform as “Regional Manager” in this company.
- 5) How has the meaning of management evolved over time?
- 6) Differentiate between management and administration on the basis of skills, influence and level of management.

6. **Answer in Detail**

1. Briefly explain any five features of Management.
2. “Management is a series of continuous inter related functions with no pre-determined sequence.” Explain.