

UNIT-1

INTRODUCTION TO MANAGEMENT

Manager → A manager is one who contributes to the organizational core . Indirectly directing the effort of others not by performing the task himself .

Definition of MANAGEMENT

- i. The word ‘ MANAGEMENT ’ was used mostly in relation to circuses and hotel .
- ii. It is difficult to define Management , Infact , No definition of Management has been universally accepted.
- iii. One popular definition is given by “ Marry Parker Follet ” of Management , She says “ The art of getting thing done through the people ”.
- iv. Two weakness of Marry Parker Follet definition is :-
It uses the word ‘ ART ’ in defining Management. To say that Management is nearly and ART is to stay a half truth .ART deals with the application of knowledge. Management is not merely application of knowledge . It invokes the acquisition of knowledge . That is Science (Management is based on rules of thumbs).
- v. This definition does not through light on the various functions of a Management.

Management is a process consisting of planning , organizing , directing and controlling perform to determine an achieve the organizational goals by the human and resources.

According to this definition “ Management is a process , a systematic way of doing thing ” .

According to “ GEORGE R TERRY ” definition of Management activities including and this process are :-

Planning i.e. action taken in advance . To determine and prepare and achieve organizational goals/objectives.

1. **Planning** → It means that Manager think of their action in advance.
2. **Organizing** → It means that Manager co-ordinates the human and material of the organization.
3. **Actuating** → It means that Manager motivate and direct sub-ordinates.
4. **Controlling** → It means that Manager attempts to ensure that there is no deviation from the plan.

Finally , the conclusion is that the nature of management is Management as a process and objective of management to fulfill the process of management efficiency and effectually.

Importance of Management

There are three main points of management :-

- ❖ Management is a critical element in a economic growth of a country.
- ❖ Management is essential in all organized effort be it in a business activity or any other activity.
- ❖ Management is a dynamic life giving element in any organization.

There is a disagreement among the management written on the classification of marginal function . Some say four types, some say five , some say six and some say seven types.

But “ Newman and Summer ” recognize only four function mainly.

- i. Planning
- ii. Organizing
- iii. Leading
- iv. Controlling

But “ Henri Fayol ” identify five function of Management .

- i. Planning
- ii. Organizing
- iii. Commanding
- iv. Co-ordinates
- v. Controlling

But “ Luther Gullich ” identify function as ‘POSDCORB’

- P** → Planning
O → Organizing
S → Staffing
D → Directing
CO → Co-ordinates
R → Reporting
B → Budgeting

But our purpose is this , we shall decided the following four functions :-

Planning → It is a function that determine in advance , what should be done. It is looking ahead and property for the future . It is a process for directing for deciding the business objective and charting out the methods of attaching these objectives.

Organizing → To organize a business is to provide if , with everything useful to its functioning – raw materials, wheels and equipments is much necessary .

Directing → After Planning , it has been made the organizing and then establish it and staffing .The next step is to move towards its define objective . This functions can

be called by various names – leading, directing ,
motivating , actuating and so on.

Directing , thus invokes
three sub-functions.

- ❖ **Communication**
- ❖ **Leadership**
- ❖ **Motivation**

Define:-

- ❖ **Communication** → It is a process passing information and understanding from one person to another.
- ❖ **Leadership** → It is the process by which a manager guides how to work.
- ❖ **Motivation** → It means arousing the desire in the minds of workers to give their best to organization.

Controlling → The manager must sure that everything occurs in conformity to the plan adopted . The instruction issue and provides establishing this is the controlling function of management and invokes these elements.

- i. Establishing standard of performing.
- ii. Measuring current performance and comparing , it against the established standard.
- iii. Taking action to correct performance that doesn't meet these plans.

Although, all managers perform the same function of planning, organizing, directing and controlling, there are levels among them.

There are in any organization the ____ called firstline i.e. lower level, middle level and top level management.

The lower or firstline management group on made up of foremen and white collar supervisor and men and women who are any one step above the rank and work.

Next come middle management a vast and dedicated group that sale manager, plan manager, purchase manager and many other different its.

Finally there is consisting of the board chairman, the company president the executive etc. i.e. the man who co-ordinates all the speciality and makes policy for the company.

SKILL MIXED WITH AT DIFFERENT MANAGEMENT

1. **Conceptual skill** → It refers to ability of a manager to take abroad and for sighted view of the organization and its future, its ability to think in abstract, is ability to analysis the forces working in a situation is creative and innovative ability to taking place in its environment and changes.
2. **Technical skill** → It is the manager understanding of the nature of jobs that people under him have to perform. It refers to persons, knowledge and co-efficiency in any type of technique or process.
3. **Human relation** → It is the ability to interact effectively with people at all levels. This skills develops in the manager sufficient ability :-

- ✚ To recognize the feeling and sentiments of others.
- ✚ To guide the possible reaction and out comes of various course of action.
- ✚ To examine his concepts and value which may enable into develops more useful attitudes adopted.

ORGANIZATION

- a) According to ‘ **Amitai Etzioni** ’ “An organization is a social unit of human grouping, deliberating structure for the purpose of attaining specific goals”.

Thus, co-operation, armies, schools, computer centre, hospital, churches etc. all are organization.

- b) But tribe's, friendship group and families are not organization because they don't involve in any significant amount of conscious planning or deliberating structure.
- c) Organization is a process of dividing and combining efforts of a working group for making such joint efforts more productive and effective.
- d) By the process of organizing with the help of human and material components and organization established.
- e) An analysis and conclusion leads us to that an organization is regarded _____ as a process, as a structure of relationship.

ADMINISTRATION AND MANAGEMENT

Lack of unanimity (dis-satisfaction) among writer over the meaning of administration and management .

1. According to one group of writer 'SHELEDON, SPRIGEAL & MILWARD' administration involves thinking, it is a top level function which centered around. The determination of plans, policies and objectives of a business enterprise.

On the other-hand management involves 'doing'. It is a lower level function which is concern with the execution and direction of policies and operation.

2. According to second view expressed board E.F.L.Brech and other _____ management is a comprehensive genetic thoughts which include administration E.F.L. regards management as a

comprehensive generic function expressing the entire process of planning, directing, organizing and controlling.

Administration is only a branch of management, which encompasses to of its functions planning and controlling.

3. According to another view expressed by 'PETER DRUCKER', the basic difference between them management and administration lies, the use of these words in different fields. "The governance of a non business acquisition (such as government, armies, churches) is generally called Administration", while the governance of non business enterprises are called management.

UNIT-2

EVOLUTION OF MANAGEMENT THOUGHT

CONTRIBUTION OF FREDERIC WINSLOW TAYLOR (1856-1915)

1. F.W. Taylor (1856-1915) is considered to be father of scientific management.
2. He has great influence on the development of management to the experiment and writing.
3. During his career spanning a period 26 year, he conducted a series of experiment in three companies :-

“MIDVALE STEEL, ROLLING
MACHINE & BATHELEHEM STEEL”.

Taylor made several contribution which are classified under scientific management.

- a) **Time and Motion study** → Since Taylor had been a mechanized himself he knew how piece work employee used to hold back production, employees fear that their employer would cut their piece rate as soon as there was a rise in production. The real trouble so therefore started Time and Motion study under which, each motion of job was to be timed with the help of stopwatch.
- b) **Differential Payment** → Taylor introduced a new payment plan can the differential piece work in which a linked intensive with production. Under this plan a work receive low piece if we produce number of piece and high rate if he suppressed the standard piece rate would motivate worker to increase production.

c) **Drastic Re-organization of Supervision** → Taylor suggested two new concepts :-

- i. **Separation of Planning**
- ii. **Functional Foreman**

On those days worker himself use to select his tools and decide the order in which the operation were to be performed. Simply, told the worker what the job to perform, now how to do them. Taylor suggested that work should be planned by a foreman, not by worker.

d) **Scientific Requirement & Training** → Taylor the need for scientific and development of the worker. He said, “The Management should Develop and Trained Worker for Best Faculties”.

e) **Intimate Friendly Co-operation Between Manager and Worker** → Limitation of Management : (Regarding scientific management by F.W.Taylor)

LIMITATION OF SCIENTIFIC MANAGER CONTRIBUTION OF 'HENRI FAYOL' IN ADMINISTRATIVE MANAGEEMENT

1) Man has not only economic need but also many other need, social need, secondary need and motivate need for potentially, that is described for money, so he couldn't contributed about the other needs.

2) Taylor's, time and motion study is not accepted and entirely scientific because time study done by separate individual many time the same job entirely differently.

3) Separation of planning and doing the greater specialization inherent in the system ten to reduce the need for skill and produce greater monotony of work, having a man take order from 7-8 different bosses resulted in confusion decided increasing the over cost.

CONTRIBUTION OF HENRI FAYOL (1845-1925)

- 1) Father of administrative management.
- 2) Mini engine is turned industrial and successful manager.
- 3) In 1916 – write a monograph name 1, general and industrial administration in language French in 1925 translated into English language.
- 4) Planning.
- 5) Organizing.
- 6) Controlling.
- 7) Co-ordinates.
- 8) Commandly.

THERE ARE FOURTEEN STEPS OF TAYLOR

- 1) Division of Work or Labour.
- 2) Authority and Responsibility.
- 3) Discipline.
- 4) Sub-ordination between (gap) Individual Interest to General Interest.
- 5) Unity of Command.
- 6) Unity of Chain.
- 7) Centralization.
- 8) Remuneration (Payment).
- 9) Scalar Chain.
- 10) Order.
- 11) Equity.
- 12) Stability of Tenure of Personal.
- 13) Initiative.
- 14) Spirit of crop.

DEFINE

- 1) **Division of Work** → The Management process produce more and greater work with the same effort. Various functions of Management like Planning, Organizing, Direction and Controlling can not be perform by a single proprietor by a group of director. They must be specialist to that related fields.

2) **Authority and Responsibility** → As the Management consists of getting the work done through other. It implies that the manager should have the right to give order and power to elicit obedience.

A Manager may exercise formal authority and also personal power. However, the responsibility follows after.

3) **Discipline** → Discipline is absolutely for smart running business. By Discipline we mean obedience to authority, observation of rules of services and norm of performance, respect for superior, respect for agreement. The best means of maintaining Disciplines are:-

a) Good Supervisor at all Levels.

b) Clear and Fair Agreement between Employee and Employers.

c) Judicious Application of Penalties.

4) **Unity of Command** → The Principle required that each employee should receive instruction about a particular work from one superior only. Fayol believed that if one employee was to report more than one superior. He would be confused due to complicated instruction and also it would be difficult to point out the responsibility to him.

5) **Unity of Direction** → It means that there should be complete identify between individual and organizational goals on the hand and between departmental goal. They should not pull in different direction.

6) **Sub-Ordination of Individual Interest to General Interest** → To Business concern and individual is always interested in maximum, his own through money recognition status, etc. This is very often against the general interest which lies in the maximizing production. Hence, the need to sub-ordinate the individual interest to general interest.

7) **Remuneration** → The Remuneration paid to the personal of the firm should be fair. Fair remuneration increase work efficiency, normal and good relation between management.

8) **Centralization** → It's Sub-ordinates are given more role and importance in the management and organization of the firm. It is De-centralization but if they are given less role and important. It is Centralization.

9) **Scalar chain** → Scalar Chain means the hierarchy of authority from the higher execution to lowest ones for the purpose of communication. As per this principle, the order or communication should passed through the proper channel of authority along the scalar chain.

We find two leaders of Authority. One from F to A and another from Q to A in the spirit of observation of the scalar chain any communication from D to O would go to all the way up to A and down the other side of the triangle at O.

Fayol's suggested that if there need to meet O to O may be authorized by their respective superior C to N to have direct with each other.

10) **Order** → To put things in an order needs effort his order doesn't need any effort management should obtained order lines in work through suitable organization of man and materials. "The Principle of right place for everything and for every man", should be observed by the management.

11) **Equity** → Equity means equality of fair treatment. Equity results from a combination of wisdom justice. Employee aspect management to be equality just too every body. It requires managers to be free from all prejudices personal like and dislike. Equity ensures healthy industrial relation between management and labour which is essential for the successful working of the enterprise.

12) **Stability of Tenure of Personal** → In order to motivate workers to do more and better work. It is necessary that they should be assured security of job by the management.

13) **Initiative** → Initiative means freedom to think out and execute a plan. Initiative gives the employee energy and power for making better organization. According to Henri Fayol ---- logical progress is possible only where the employees are encourages to makes Initiative.

14) **Spirit of Crop** → This mean team of Spirit. Since “Union is Strength”. Then management should create team spirit among the employee. Only when the personal pull together as a team there is a scope for realizing for the objectives for the concerned.

LIMITATION OF ADMINISTRATIVE APPROACH

- ▶ These principle one based on a few studies and not have any experiment.
- ▶ These principles are often state as unconditional statement of what to be done in all circumstances.
- ▶ These principle result into the formation of mechanistic organization structure which are incentive to social and psychological needs.

CONTRIBUTION OF PETER F.DRUCKER IN THE EVOLUTION OF MANAGEMENT

Peter F.Drucker, a contemporary management thinker has varied experience and background of psychology, sociology, law and journalism. He has written a number of books on management. The important among them once the practice of management (1954), managing by result (1964), the effective executives (1967), the age of discontinuity (1969), and management. Tasks, Responsibility and Practices (1974).

We have seen management is partly an art and partly a science. The One Question Ask “Is Management Is Profession?” (existence of an organized and systematic knowledge)some body says NO but some body says YES. In the light of analysis we can conclude that the management can’t be a profession. Now, Peter Drucker

is however of the view of that holding of an academic degree not a condition to get and entry is to the management profession. He says that no greater damage could be done to our economy to our society than attempt to professionalizes management by licensing manager, for instance by limiting access to management to people with a special academic degree. Following are this contribution in support of this view.

1. A degree in management doesn't by itself may be individual a professional manager. Any more than does a degree in philosophy make an individual philosopher the essence of professional and management is achievement not knowledge, not logic. It will eliminate those individual who through highly skilled to not have the required degree.
2. People one satisfied as professional on the basis of academic degree would always remains professional despite thus knowledge becomes absolute a later year.

UNIT-3

PLANNING

- ☺ Planning is an Intellectual process.
- ☺ Planning is a continuous process.
- ☺ Planning is the most flexible.
- ☺ Planning is an all pervasive process.

Planning is the primary function of management. Planning as a process involves the conscious determination of future course of action into achieve the desired results.

The term “Planning” has been defined by various management thinkers emphasizing on its different aspects. Some of the definition are given below:-

ACCORDING TO GEORGE R.TERRY

Planning is the selecting and relating of facts and the making and using of assumptions, regarding the future in visualization and formulation of purpose activities, believed necessary to achieve the desired result.

ACCORDING TO THEO HAIMANN

“Planning is deciding in advance what is to be when a manager plans the project”. A course of action for the future attempting to achieve a consistent. Co-ordinate structure of operations aimed at the desired result”.

ACCORDING TO KOONTZ AND O'DONNELL

“Planning is an intellectually demanding process; it requires conscious determination of course of action and basing of decision on purpose, knowledge and considered estimates.

ACCORDING TO MARRY CASHING NILES

“Planning is the conscious of selecting and developing the best course of action to accomplish an objective. It is on the basis from which future management action spring”.

Planning, thus, is an intellectual exercise of looking into future i.e. to decide in advance

the activities to be undertaken in future and also to visualize the best course of action to achieve the desired goal. Planning leads to decision making controlling.

PLANNING IS ALSO DEFINE IN POINT TO POINT

1. Planning is the beginning of the process of management.
2. Planning is the function that determines in advance what should be done.
3. It is looking ahead and preparing for the future.
4. It is a processing to deciding the business objectives and charting but the method of attaining these objectives.
5. A manager must plan before he can possibly organize, staff, direct and control.
6. Without planning other function becomes just like producing but chaw.

NATURE AND SCOPE

- ☺ **Planning is an Intellectual Process** → Which requires a manager to think before acting. It is thinking in advance. It is by planning that manager of organization deciding that what is to be done, how is to be done, who is to be done. Decision making is the part of planning.
- ☺ **Planning is a Continuous Process** → Which a manager should continuously watch the process of his plans. He must continuously, monitor the consideration both within and outside of the organization to determine its changes are required in its plan.
- ☺ **Planning is most Flexible** → A plan must be flexible, by flexibility of a plan, it means that it is ability to change direction to adopt changing situation without under cost because circumstances changes it simply common sense that a plan must change.
- ☺ **Planning is an all pervasive process** → Planning is an important to all managers regardless of their level in their organization. There are however some difference

in the period of planning by managers at different levels.

IMPORTANCE OF PLANNING

Planning is the important part of any management process without planning business direction would become random adobe choices.

There are some importances of planning function are as follows:-

- ♥ **Minimize Risk and Uncertainties.**
- ♥ **Leads to Success.**
- ♥ **Focuses Attention on the Goal.**
- ♥ **Facilitate Control.**

Define

- ♥ **Minimize Risk and Uncertainties** → Institution along can no longer he realize upon as a means of making decision, this is one reason. Why planning has because some importance by providing a more relation fact based procedure for making decisions. Planning allows manager and organization to minimize risk and uncertainty; it is through planning the manager relates the uncertainty and possibilities of from or row to fact of today and yesterday.
- ♥ **Leads to Success** → Planning doesn't guarantee of success, but study have been equal, companies which plans not only out perform the non-plans but also out program their own passed result.
- ♥ **Focuses Attention on the Goal** → Planning help the manager to focus attention on the organization goals and activities. This makes its easier to apply and co-ordinate the resources of organization more efficiently.
- ♥ **Facilitate Control** → Planning the manager said goals and develops plans to accomplish (achieve) these goals. Their goals and plans then become standard or bench marks against which performance com-measured.

LIMITATION

A Manager plans are directed at achieving goals but a planning effort encounter the following limitation are as follows:-

- 1) Planning is an expansive and time consuming process. It involves significant amount of money, energy and also risk, without and advance of the fulfillment of the organizational objectives.
- 2) Planning sometimes restricts the organization to most relational and risk free opportunity. Sometimes Plan may be cause delay in an emergency when there is need for the manager to take quick decision. He may be bogged down by rule and procedure.
- 3) The scope of Planning is to be said to limited in the case organization with rapidly changing situation.
- 4) Flexibility of Planning can't be maintained when there are unforced maintained. Such as a business decision change in government policies, crop failure, etc. There such events take less than original plan is failure and need to draw up a fresh plan.
- 5) Another Limiting factor is Planning is the not same as the organization want there are differences in planning and performance.

PROCEDURE OF PLANNING

The steps involved in planning are as follows:-



- Establishing Variable Goals.
- Establishment of Planning Premises.
- Selection for Operating Plans from Alternatives.
- Preparation for Derivate Plan.
- Time and Sequence Operation.
- Security Participation.

Define

♪ Use of Strategy.

♪ **Establishing Variable Goals** → The first of Planning is to determine the enterprise objectives. These are mostly done by upper level or top managers. There are many types of objectives manager may be selects.

a) A desired sales volume.

b) The develop of new product or service.

c) Growth of rate.

d) The type of goals selected will be depend upon a number of factor such as the basic mission of the organization, value its manager hold and abilities of the organization.

♪ **Establishment of Planning Premises** → The assumption for future provides a frame work for the planning process. Their vary basis for action by nature business environment are uncertainties. Planning premises is very useful in any business environment.

♪ **Selection for Operating Plans from Alternatives** → There is a numbered alternative are open for achieving. All the achieving is find out studied and evaluated. After careful consideration of all points. Such as cost, risk, possible gains. The alternatives are evaluated. There, one of them selected and decision is taken according to the choice made the operating plans of the whole enterprise the follow suggested codes of plans.

♪ **Preparation for Derivative Plan** → Derivative Plan naturally follows the same goals which the primary plan is to follow. Since it is also prepared within the frame work of any organization, the enterprise also prepared the derivative plan from the selected

operating plan for effective execution of plan as a whole.

♪ **Time and Sequence Operation** → Time is an essential consideration in any planning formation. Time factor enables plan to take actual and practical shape of planning sequence of operation is also arranges carefully priorities are fixed. All these help is keeping the program schedule of the enterprise.

♪ **Security Participation** → Effective execution of plan and related program are necessary for the participation of although who are responsible for making the plan successful. Communication and explanation of the program and plan whose subordinates help in better understanding.

♪ **Use of Strategy** → The Strategy employee and approach to the execution of plan were by all employees is encountered.

MISSION AND OBJECTIVES

Objectives are goal or aims which the management wishes the organization to achieve. There are main points which business activities like organizing, staffing, directing and controlling are deducted.

Objective should be distinguished from two others works purpose and mission. The purpose of an organization is its primary role define by its society in which its operates.

eg:- The purpose of every university is to the part of education. Mission that means a unique name that set the organization a part from other its types. Mission that means single and unique goals.

Objectives are special target to be reach by an organization. They are translation of an organization.

Mission into single and unique situation which result can be measure. A university may decide to admit a certain number of students.

TYPES OF PLANNING

Plans are arrange in hierarchy which the organization at the top of this hierarchy stand objectives are board in the organization which are achieved by means of strategy. Strategies in there are arranged out by means of the two measure group of types of plan.

☀ **Single User Plan** → As their name suggest are develop to achieve and specific end, window -----
----- in his reached, the plan is dishonoured the many types of single user plan are program and suggest.

☀ **Standing Plan** → Standing Plan are defined for situation then require often enough to justify a standardize approach. The measure types of standing plan are policy procedure or plans or rules.

STRATEGY

In a competitive situation it is enough to build plans, logically from goals. Unless the plan takes into account. The environmental opportunities and thread and the organizational strength and weakness.

A corporate policy or strategy is a plan which takes their factor into account and provide an optimal between from and organization. The access of corporate strategy is plan to know as capital once strength while avoiding weakness and then attempting to match this appropriately with opportunities.

Two important factors involve in strategy formulation:-

- ▶ **Environmental Appraisal**
- ▶ **Organizational Appraisal**

Define

Example

▶ **Environmental Appraisal** → Such as:-

- a) Political and Legal Factor
- b) Economic Factor
- c) Social and Culture Factor
- d) Competitive Factor

Example

▶ **Organizational Appraisal** → Such as:-

- a) Low Cost Manufacturing
- b) Efficiency Distributor
- c) Personal Relationship with Customer

POLICIES

- ☺ It is a standing plan.
- ☺ A policy is a general guideline for decision making.
- ☺ It sets up of boundaries among decision including those that can be made and shooting out those that can't.
- ☺ The other word George R Terry “Policy is a verbal, written or employed over all guide setting of boundaries that supply the general limit and direction on which the managerial action will takes place”.
- ☺ Although policies deals with ‘How to do’ the work. They don't describe terms to sub-ordinate in different sphere.
- ☺ Some policies are Recruitment Policies, Price Policy, Personal Policy and Advertisement Policy.

IMPORTANCE OF POLICY

- ♥ Policies ensured infirmity of action in respect of various matter at the various organization point. This makes as action are predictable.

- ♥ Policy speeds up of decision at lower lines because subordinates should not consult their superior frequently.
- ♥ Policy makes easier for the superior to delegate and more authority to his subordinates without any fearing.
- ♥ Policy gives a practical shape to the objective.

PROCEDURE → (It is a standing plan)

Policies are carried out means the more detail guide line called procedure. A procedure provide a detail set of instruction for a performing sequence of action involved in doing a certain piece of work.

For eg: - Procedure for requirement of personal may be:-

- ♪ Inviting application through advertisement.
- ♪ Screening application.
- ♪ Conducting written test.
- ♪ Conducting interview for those who passed the written test.
- ♪ Medical examination of those who are selected for the post.

TYPES OF PLANNING

STRATEGY

- 1) It decides the major goals and of resource for policy of application.
- 2) It is done at higher level of management.
- 3) It is long term.
- 4) It is more uncertain due to long term planning.
- 5) It is less details because it's not it involves with

TACTICAL

- 1) It decides the detail use achieving each goal.
- 2) It is done at lower level management.
- 3) It is short term.
- 4) It is less uncertain due term planning.
- 5) It is more detail because

involves with the day to day
of organization.
operation of organization.

day to day operation

UNIT-4

ORGANISING

- ☺ To organize a business, is to provide, it with everything useful to its functioning personnel (human being), raw material, tools, capital. All this may be divided into main sections.

1. Human Organization

2. Material Organization

- ☺ Firstly manager an established objectives and developed plan to achieve them, they must design and develop a human organization for achieving the plan and material organization, human achieving the plan. This process is known as organizing, with the help of human and material.
- ☺ It is the second function of management.
- ☺ The process of organizing is called organization.

PROCEDURE OF ORGANIZATION

- ♥ Consideration of Objectives.
- ♥ Grouping of activities into department.
- ♥ Deciding which department will be a key department.
- ♥ Determining level at which various type of decision takes place.
- ♥ Setting up a co-ordination mechanism.

Define

- ♥ **Consideration of Objectives** → In any process, start there is a role of objectives. In case of organizing, the 1st step is to know the objectives of the enterprise.

Objective determines the various activities which need to be performs and the type of organization which needs to be build in this purpose.

- ♥ **Grouping of Activities into Department** → After the consideration of objective the next step is to identify the activities necessary to achieve them and to group closely related and similar activities into division and department. For eg: - the activities of manufacturing company may be concern to such department as – Production, Marketing, Financing and Personal.

There activities of each department may be further classify and placed sections of that department.

- ♥ **Determining level of which various types of Decision takes place** → After deciding the relating importance of various departments, the level at which various major and monitor decision are to be made must be determine.

Firm will be decided the authority & responsibility of each levels.

- ♥ **Determining the Span of Control** → Span of Management is also referred as span of control, span of supervision, span of authority and span of responsibility.

The next step to be taken in designing structure is to determine the number of sub-ordinates who report directly to each executive manager.

- ♥ **Setting up a Co-ordination Mechanism** → Emphasizing the importance of co-ordinate in an organization. Peter Drucker says that an organization is like tune. It is not constituted of individual sound but of relation between them. For eg: - In a university various school or department may begin to complete for limited fund.

PRINCIPLE OF ORGANIZING

For efficient organization structure there is need to follow certain principles. These principles are as follows:-

1. **Objective**
2. **Specialization**
3. **Span of Control**
4. **Exception**
5. **Scalar Principle**

6. **Unity of Command**
7. **Delegation**
8. **Responsibility**
9. **Authority**
10. **Efficiency**
11. **Simplicity**
12. **Flexibility**
13. **Balance**
14. **Unity of Direction**
15. **Personal Ability**

There is need to follow the certain principles. In the E.F.L.Brech thought, if there is a systematic approach to the formulation of organization structure, their thought to be body of excepted principles.

1. **Objectives** → Objectives of the enterprise influence the organization structure and hence the objects of the enterprise should firstly be clearly defined. Then energy part of the organization should be hearing to the achievement of these objectives.

2. **Specialization** → Effective organization must promote specialization; the activities of the enterprise should be divided according to function and design to person according to their specialization.

3. **Span of Control** → As there is a limit to the number of persons that can be supervised effectively by one boss. The span of control should be as far as possible, the minimum, that means an executive should be asked to supervise a reasonable number of sub-ordinates only say – 6.

4. **Exception** → As the executive at the higher level have limited time exceptionally complex problems should be referred to them and routine matter should be deal by the sub-ordinates at lower level; that means important and crucial work is done by higher level.

5. Scalar Principle → Scalar Principle is sometimes known as 'a char of command'. The line of authority from the chief executive at the top of firstline supervisor at the bottom is clearly defined.

6. Unity of Command → Each sub-ordinate should have once superior whose command he has to obey sub-ordinates must be fulfill the order of superior.

7. Delegation → Proper authority should delegate at the lower level of organization also. The authority delegated should be equal to responsibility.

8. Responsibility → The superior should be responsible the acts of his sub-ordinate no superior should be allow avoiding responsibility by delegating authority to his sub-ordinates.

9. Authority → The authority is the tool by which a manner is able to accomplish the desired objective. Hence the authority of each manager must be clearly defined. Further Authority = Responsibility

10. Efficiency → The organization structure should enable the enterprise to function efficiently and accomplish with objective with lowest possible cost.

11. Simplicity → The organization structure should be as simple as possible and the organization as far as minimum. A large number of levels of organization mean difficulty of effective communication and co-ordination.

12. Flexibility → The organization should be flexible, should be adaptable to changing and replacement without these location and description of the basic design.

13. Balance → There should be reasonable balance in the size of various department between centralization and decentralization between principle of span of control and chain of command, among all types of factor such as human, technical and financier balance.

14. Unity of Direction → There should be one only one objective and one plan for a group of activities, having the same objectives, unity of direction, facilitates, unification and co-ordination of activities at various level.

15. Personal Ability → As people constitute an organization there is need for proper selection placement and training of staff. Further organization structure must ensure optimum use of human resources and encourage management development program.

* SPAN OF CONTROL

The term Span of control is also referred to as span of management, Span of Supervision, Span of Authority and Span of Responsibility. It indicates numbers of sub-ordinates who report directly to manager. Determination of an appropriate because span of management is important for two reasons:-

1. Span of Management effects the efficient utilization of manager and effective performance of their sub-ordinates.
2. There is a relationship between span of management and organization structure.

A narrow span of control or management results in a tall organization with many levels of supervision. On the other hand wider span for same number of employee, a flat organization with fewer levels between top to bottom management communication line is less comparison narrow span of manager. Eg: - Suppose sales manager have 16 sales man have reporting, he has to direct them. His span of management is 16. Let's up assume he feels that he is not able work closely enough with each sales man.

Then he decide to reduce his span by adding four assistance sales manager is to supervise four sales man, his span of management is now four and easily communicate them.



CONCEPTS OF AUTHORITY & RESPONSIBILITY

AUTHORITY: - It is essential to able to discharge various managerial functions. It is the formal right of the superior to command and compile his sub-ordinates to perform a certain act.

Henri Fayol defines authority as right to give order power to adjacent obedient. There are two major views on the origin or some source of authority in organization.

- 1. Classified View** → According to this view authority originates at the top in the structure of an organization and then follows downward to sub-ordinates. It means that manager at each level of the organization of their authority from the manager at the higher level.

For eg: - An assistance foreman receives authority from the assistance production manager from the production manager from the general manager, general manager, from the border of direction human relationship view.

- 2. Human Relation View** → According to this view the authority of superior depend on the willingness of his sub-ordinates to accept it; that means the sub-ordinates don't accept authorities; it is not real or doesn't exist.

For eg: - If a superior starts an assembly line shooting at everyone to work hand the sub-ordinates may not question the

superior right to do so, but they may choose not with the order will then we robbed by its authority.

RESPONSIBILITY:- It is just as authority is right of a superior to issue, commands, responsibility to perform it. Responsibility has two dimensions:-

1. One dimension may be expressed as responsibility for the other responsibility too.
2. Responsibility is the organization of the person; perform certain duties written in his description or other by accepted by him

DELEGATION & DECENTRALIZATION

DELEGATION → A manager in an enterprise can't himself do all the tasks necessary for the accomplishment of group goals clearly his capacity to do work and to take decision is limited. He therefore, assigns some parts of his work to their subordinates and also gives the necessary authority to make decision within the area of their assigned duties. This downward pushing of authority to make decision is known as Delegation of authority. In the other words of Leusis Allen, if the manager requires his subordinates to perform the work, he must in trust him with the parts of right and powers which otherwise would have to exercise himself to get that work done.

Therefore, Delegation is simple work mean to grant or assign authority from one executive to another in order to accomplish a particular assignment.

DECENTRALIZATION → Centralization refers to the reservation of authority of decision making. Only the top level is authorized to take decision. The subordinates job is to carry-out; decision making what ever is given to him. He has to chew and digest however decentralization is opposite of centralization of authority.

The Delegation of an authority by an individual manager is closely related to an organization decentralization of authority. Every organization has to decide too much decision making authority should be centralized in hand by the chief executive and how much should be distribute authority among the manager of lower levels.

STAFF AND FUNCTIONAL AUTHORITY

Authority is of two types in most organization:-

- 1) **Line Authority** → Line authority, a superior direct command over a sub-ordinate. Line authority is represented by the standard chains of command that start from top to bottom.
- 2) **Staff Authority** → Staff authority is nearly advisory. Literally the word staffing mean the stick carry in hand for support. A staff officer has the “Authority of Idea” only. The information a staff officer furnishes or the plan. The recommends flow upward to his line superior who decide whether they are too transferred into action.

Eg:-

Sales manager who advice the general manager on all dealing with union.

Organizational Structure or form of Organization

Organizational Structure very tremendously, organization may be departmentalized on the basis of function, product place. An organizational authority structure may range from highly centralized. There may be smaller or larger span of control. Broadly there are two type of structure:-

- 1) **Mechanistic/Classical Structure** → It is usually pyramid shaped. This implies centralization of authority at the top, departmentalization of job, hierarchy of command, narrow span of supervision and extended communication line.

Tall origination implies:-

- ☺ High level of centralization,
- ☺ Narrow span of control,
- ☺ Extended communication lines,
- ☺ Distance from top to bottom.

2) **Organic Organizational structure** → It has general wider span of control which gives rise of a platform, more general supervision, more decentralization, little specialization and hierarchy of command.

Wider organization implies:-

- ☺ **Decentralization,**
- ☺ **Wider span of control,**
- ☺ **Less extended communication line,**
- ☺ **Less distance from top to bottom.**

UNIT-5

LEADING

After plans have been made, the organization has been establishing and staff. The next step is to move upwards, its define objective. This function can be called by various names:-

Leading involves three main functions:-

- ♥ **Directing**
- ♥ **Motivating**
- ♥ **Leading and soon.**

- 1) **COMMUNICATION** → It is the process of passing information an understand from one person to another.
- 2) **MOTIVATION** → It means Arushing the desired mind of worker to give their best to the enterprise. The success of a every industrial enterprise, his depend upon quality of the leadership. For example: - The tata and iron and steel co-

operation Jamesedpur for motor co-operation USA would not have content their present success but for the able leadership J.M. tata and Henriford.

ACCORDING TO PETER DRUCKER













“Leadership is the lifting of man’s vision to higher & light. The lifting of man’s performance to a higher standard, the building of man’s personality beyond its normal limitation.”

TRAIISTIST THEORY

This is a classical theory in which different trait in a human being are describe.

This theory believes that leadership behavior some total of traits (quality) the leader posses may iron inherntly posses these trait or may have required for learning, training and experience a leader can’t behave other than what his personal traits are:-

A leader is accepted to posses the following:-

-  **Good Personality**
-  **Tirelessness**
-  **Ability to take quick decision**
-  **Alertness**
-  **Courage**
-  **Enthusiasm**
-  **Intelligent**
-  **Persuasive Voice**
-  **Imagination**
-  **Reliability**
-  **Intellectual Sound**
-  **Physically Fit**

The above trait have group by psychologist in three categories:-

- ▶ **Physical Traits:-** The leader most posses a high degree of physical and native energy, is almost axiomatic, mission and a great power of body and

mind to standard to the starts and strain of his high office and responsibility to sleep no more than four hour with an occasional catnap.

▶ **Moral Traits:** - The first among moral quality is moral courage this enable to with his goal and on the other hand to own the responsibility a action should the action prove is quality.

▶ **Mental Traits:-** A leader must posses a high mental power for taken decision an action what is to be perform.

MOTIVATION

It is the process of challenging a person's inner device. So that, he wants to accomplish the goal of the organization.

Motivation is the behavioral concept by which we try to understand why people behave as they do. It concerned those dynamic processes by which procedure a goal oriented behavior.

MOTIVATION THEORIES

- 1) **Maslow's Need Hierarchy Theory** → All people have a variety of needs at given time, some of these needs are satisfied & other due unsatisfied. An unsatisfied need is the starting point in the point of a motivation process. When a person has unsatisfied need. He /She attempts to identify something that will satisfy the need, this is called a goal. Once a goal has been identify the person takes action to reach that goal and there by satisfy the need.

According to A.H. Maslow == Maslow needs are arranged in a hierarchy or a leader of five successive categories:-

- ☀ **Physiological Needs**
- ☀ **Security Needs**
- ☀ **Social Needs**
- ☀ **Esteem/Egoistic Needs**
- ☀ **Self Fulfillment Needs**

Define:-

- ☀ **Physiological Needs** → Physiological Needs are those which are the physiology of life. The need for water, air, food, etc. These needs must be at least partially satisfy for continued survival.
- ☀ **Security Needs** → Security Needs are the need from economic threat & physical harm. These are included protection from arbiter log-off and dimensional & disaster & avoidance of the unaccepted.
- ☀ **Social Needs** → Social Needs are needs to associate with the other people & be accepted. By them to love and beloved. These needs are variously refer to at “the need instinct” gregariousness and like, but at base they point to the find that man find a satisfaction with association with other and feel real deprivation when it is not possible.
- ☀ **Esteem/Egoistic Needs** → Esteem/Egoistic Needs are those which relate to respect and prestige a need or dominance may be thought of as one of the egoistic need. These are of two types:-

#Self Esteem/Egoistic

#Esteem for Order

☀ **Self Fulfillment Needs** → Self Fulfillment Needs for realizing one's potential. These include, the need for realizing one's capabilities to the fullest for accomplishing what one's is capable of accomplish for becoming what money's is capable for, a musical must point, a poet must try. It is to be ultimately happy. This need is also called need for self actualization or self realization.

This process continues up the need hierarchy as each level of needs become relatively satisfied, the next higher level become dominant.

2) **Herzberg Two Factor Theory** → Maslow hierarchy of needs provides some insides about people and their behavior using this as a base, we can now look more specially at work motivation. Perhaps the most popular theory of work motivation is based on research started by Frederic Herzberg. In his original study, Herzberz and its associates interview two hundred engineers and accountants they asked them to think of times they felt especially bad about their jobs.

The engineer and accountant where ask to describe the factor that lead to these particular feelings. Firstly all of them talking about especially bad times the engineers and accountant browse up things like unfair salary, unfair policy, poor relationship with their boss and co-worker and low-pay. When talking about especially good time job experience. They general didn't mention these factors; instead they talked about recognition, they have received for a well done job or the opportunity their job gave them for personal growth and development. Herzberg and their associate repeated with a variety of workers in different types of organization.

These result were generally same based on their finding, Herzberg develop the two factor theory of work motivation.

▶ **Maintenance or Hyzine factors** == They are necessary to maintain a reasonable level of satisfaction. He concludes that there are ten maintenance factor namely:-

- a) **Fair company policies & administrator,**
- b) **Supervisor who knows the work,**
- c) **Good relationship with supervisor,**
- d) **Good relationship with co-worker,**
- e) **Good relationship with sub-ordinates,**
- f) **A fair salary,**
- g) **Job security,**
- h) **Personal life,**
- i) **Good working condition,**
- j) **Status.**

▶ **Motivator/Satisfier factor** == To build of motivation and job satisfaction. A different set of factor necessary. However, if these factor are not present they are not in themselves leads to strong these satisfaction. Herzberg called these are the motivator or satisfier factor.

These are six in number:-

- a) **Opportunity to accomplish to something significant,**
- b) **Recognition for significant accomplishment,**
- c) **Opportunity to grow and develop on the job,**
- d) **Chance for advancement,**
- e) **Chance for increase responsibility,**
- f) **Job itself.**

Herzberg noted that the two factors are directional i.e. their effect can be seen in one direction only.

3) McClelland's Need for Achievement Theory →

According to McClelland's, the three important needs are:-

- ▶ **n(aff)** → (Need for Affiliation) → The need for affiliation reflect a desire to interact with socially with people with a high need for affiliation is concerned about the quality of an important personal relationship.
- ▶ **n(pow)** → (Need for Power) → A person who has a high need for power concentrates an obtaining and exercise power and authority.
- ▶ **n(ach)** → (Need for Achievement) → A person need for achievement are three distinct characteristics:-
 - a) References for setting moderately difficult for potentially achievable goals.
 - b) Seeking situation where concentrate feed back in possible.
 - c) Doing must thing himself rather than getting them done by other. He wants to take personal responsibility for a success or failure or doesn't want to hold other or change responsible for it.

The implication to manager McClelland's theory and research are significant.

4) McGeorge's X & Y Theory → In 1957, Douglas McGeorge's represented a converting agreement that most management action flow directly whatever theory for human behavior they hold.

Theory X → For people who dislikes work and try to avoid it, if they can. They typical person dislikes work and will avoid if it possible.

→ The typical person lacks responsibility has little ambition and seek security of above all.

→ Most people must be control and threatened with punishment to get them work.

→ People these assumptions, the management role is to control employee.

Theory Y → To implies more human and supportive approach to managing people.

→ Work is as natural as play or rest.

→ People are not inherently lazy they become that way as a result of experience.

→ People will exercise off different and self control in the service of objective to which they are committed.

→ Managerial role is to develop potential in employees and help them release potential.

UNIT-6

CONTROLLING

The manager must ensure that everything occurs in conformity with the plan adopted, the instruction issue and the principle established.

Process or Steps in Controlling Function

1. Establishing Standard →

The first step in the control process is to establish a standard against which results can be measured. Standards expressed in vague or general terms such as “cost should be reduced”, “orders should be executed quickly”, are not specific as “cost should be reduced to what extent” or “all orders must be executed within three working days”.

2. Measuring and Comparing the Current Performance to Established Standard →

OR

Measuring and Comparing Actual Results → The second step in the control process is to measure the performance & compare it with the pre-determined standard measurement of

performance can be done by personal observation as in the case of the sub-ordinate being observed while they are engaged in work by a study various summarise of figures. Supports charts & statements. If the control system is well organized quick comparison of this figure with the standard figure is quite possible.

3. **Talking Corrective Action** → After comparing the actual performance with prescribed standard and finding the deviation, the next step that should be taken by manager is to carry these action, corrective should be taken without wasting of time. So, that the normal position can be represented quickly.

Types of Controlling

- ▶ **Post Oriented Control** → These are also known as Post Action Control and measure result after the process. They are examined what has happened in a particular period a part. For eg:- Such controls are must

accounting record. Inspective of goods and services and school grade report.

- ▶ **Future Oriented Control** → These are also known as steering controlling or feed forward control and are designed to measured result during the process show that action can be taken before the job is done.