

UNIT-1

DEFINE MANAGEMENT. EXPLAIN ITS NATURE, OBJECTIVES & IMPORTANCE?

Management is a universal phenomenon. We can see it in every walk of life. Ex: house management, college management, hotel management....etc. Now it is a rapidly growing discipline. Management is the process of getting things done with others as per firm's objectives. No, business firm or organizations can success without management. Several management experts have defined the term management in different ways. They are:

1. HENRY FAYOL the father of management defines the term management as "to manage is to forecast and plan, to organize, to command, to coordinate and control."
2. HERALD KOONTZ defines the term management as "management is the technique of getting things done through and with the people in formally organized groups."
3. F.W.TAYLOR defines management as "management is the art of knowing what you want to do in the cheapest and best way."
4. PETER F DRUCKER defines management as "management is concerned with the systematic organization of economic resources and its task is to make these resources productive."

NATURE OF MANAGEMENT:-

We can analyze the nature or characteristics of management in the following manner:

1. Management is a process:

It is a process. It includes a number of aspects such as planning, organizing, directing, controlling, coordinating, staffing, motivating... etc.

2. Management is a continuous process:

It is a continuous process. As long as universe exists it will exist. It is eternal or immortal.

3. Management is an activity:

It is an activity. It includes decision making activities, informational activities, interpersonal activities.. Etc. which are essential for the success of an organization.

4. Management is a discipline:

It is a separate branch of study like computers, mathematics, statistics... Etc. it is one of the important branch to carryout business very successfully.

5. Management is dynamic:

Its nature is dynamic. It formulates several new policies according to time being. It designs new policies and methods according to changing business needs or business environment. Today a lot of research is going on management.

6. Management is complex:

Its nature is complex. It has close relation with several subjects. It is interdependent. It depends on mathematics, social, economics... etc. there are several theories and principles formulated by management experts. Its functions are complex.

7. Management is a group activity:

It is a group activity. It is associated with different people in the organization. It has several levels. Ex: - higher level, middle level, lower level.

8. Management is both science and an art:

Management combines the features of both science and art. It is a scientific art. Science is a systematic body of knowledge relating to a specific field of study and contains journal facts that explain a phenomenon. Art is basically concerned with understanding the way a particular task is achieved in the best possible manner. While science provides the principles, the application of these principles is the subject matter of art.

9. Management is an integrating process:

It is an integrating process. It integrates men, money, material for performing various operations and accomplishing the stated goals.

10. Management is a profession:

It is a profession because some of its established principles are being applied in practice.

11. Management is goal oriented:

It has certain goals and objectives. It always try to achieve these goals. It's a main goal is over all development of the society.

OBJECTIVES OF MANAGEMENT:-

The main objectives of management are:

1. Achieving best results with minimum efforts.
2. To improve the efficiency of factors of production and productive resources.
3. To improve the condition of employers and employee's.

4. To provide equal opportunity to different sections of the people in the society.
5. To improve the standard of living of people.
6. To provide social justice.
7. To increase national output and national income.
8. To minimize cost of production and maximize profits.
9. To provide better quality products to consumers.
10. To promote industrial peace.
11. To achieve greater production in industrial organizations.
12. To promote knowledge and skill among human resources.
13. to meet social needs.

IMPORTANCE OF MANAGEMENT:-

It has great significance in industrial organizations. It's role is very prominent in production, marketing, finance, human resources, research and development. No, industrial organization can service without management. We can analyze its importance in the following manner:

1. Determination of objectives:

Its role is very significant in determining objectives. Every business firm has certain objectives. It helps in determining these objectives in most efficient and effective way. Generally business is a risky affair. It includes a number of problems and uncertainties. These problems arise on various aspects. No, business organizations can success without over coming these problems.

2. Achieving the objectives:

Management plays a vital role in achieving the objectives of business firms. Every business firm has certain objectives as far as production, marketing, finance, HR... Etc. is concerned. Management guides the managerial personnel in each and every aspect. They can achieve the objectives very easily with the help of management principles.

3. Optimum utilization of existing resources:

Management plays a vital role in utilizing the existing productive resources in optimum manner. They can use the productive resources in a best way. Generally productive resources are very scare management helps in minimizing wastage of productive resources. Ex: - men, money, material, machinery etc. are valuable productive resources. Optimum utilization of these resources is essential.

4. Social benefits:

Management play a vital role in social or societal development. It is a part and parcel of the society. Its main aim is to develop the society. It's helps to supply quality products to the public. It has greater social responsibility. It must meet the needs of the society. It must satisfy the consumer needs, shareholder's needs, government needs... Etc. it makes the society more dynamic and result oriented.

5. Establishers sound organization:

Management helps in establishing a sound organization. It creates good relationship between superiors and subordinates. Sound organizations are essential to achieve greater production without efficient management. It is not possible to achieve greater production.

6. Meeting challengers:

Management helps in meeting a number of challengers faced in industrial organizations with efficient management they can face several problems very easily and try to overcome from such problems. Several problems arises in the field of production, marketing, finance, HR related aspects.

7. National economic development:

Management plays a significant role in national economic development. It helps to achieve rapid economic development and growth. It helps to increase national output national income, total saving, total investment, total demand, total supply.

8. Smooth running of business:

Management plays a vital role in smooth running of business organizations. Business organizations can run very smoothly with help of management. It helps in minimizing strikes and lockouts, retrenchments dispute's. It helps to produce goods and services continuously. It establishes good relations between management and labor force. Management promotes industrial peace.

EXPLAIN THE FUNCTIONS OF MANAGEMENT:-

Management is a universal phenomena. We can see it in every walk of life. It is an integral part of society. The process of getting things done through others as per firm's objectives is known as management. Henry fayol the father of management classified management functions into planning, organizing, commanding, coordinating and controlling.

Gullick and Urwick have described the management functions as POSDCORB. Here P stands for planning, O stands for organizing, S-staffing, D-directing, CO –coordination, R-reporting, B-budgeting.

However the functions of management can be divided into six categories:

1. Planning
2. Organizing
3. Staffing
4. Directing
5. Coordinating
6. Controlling

1. Planning:

This is one of the important functions of management. Planning is a mental process requiring foresight and sound judgment. Planning is the process of deciding in advance what to do, when to do, where to do and how the results are to be evaluated. It is nothing but taking action in advance and deciding today what is to be done tomorrow. Efficient planning is essential to achieve the organizational goals in most efficient and effective manner. No, organizations can success without planning.

2. Organizing:

It is the process of establishing relationships among the members of the organization. This relationship is created in the form of authority and responsibility. It is an important activity by which management brings together the manpower and material resources for the accomplishing of free determined goals. It also involves creating job positions at various levels and establishing mutual relationships between them. No, organizations can success without organizing.

3. Staffing:

It refers to placing of right persons at the right job at the right time. It involves recruitment, selection, training..etc. it involves training managers and other employee's to improve their capabilities and preparing subordinates for the future as well as ensuring their personal development and growth. While performing the staffing function managers prepare reports on the performance of their subordinates and make recommendations regarding their promotion. No, organizations can success without staffing.

4. Directing:

It is the process of guiding the subordinates towards achieving the organizational goals. Generally managers issue day to day instructions and guide lines to the subordinates. Managers have to communicate decisions and instructions to the subordinates. It is nothing but giving guidance to the subordinates. It is concerned with the activating of the members of the organization for the accomplishment of the organizational goals. No, organization can successfully run without directing.

5. Coordinating:

It is the process of integrating the activities of different units and organization to accomplish the organizational goals efficiently. The purpose of coordination is to ensure that the goals of units and subunits are pursued in harmony with each other keeping in view the goals of the organization. Coordination is needed at all levels of management due to the interdependent nature of activities assigned to various departments and units.

6. Controlling:

It is the process of seeing whether the activities have been performed in conformity with the plans. It helps the management to get its policies implemented and to take corrective actions if performance is not in accordance with the planned objectives. No, organization can successfully run without controlling.

EXPLAIN HENRY FAYOL'S PRINCIPLE OF MANAGEMENT?

He is the French industrialist; engineer and the father of management subjected 14 principles of management for the successful running of an organization. He also identified 6 activities to be accomplished in an organization. These 6 are:

1. Technical activities: - which are related to procurement of technology and its related aspects.
2. Financial activities: - which are related to procurement of financial resources and its related aspects.
3. Marketing activities: - which are related to buying and selling and its related aspects.
4. Managerial activities: - which are related to organizing and controlling.
5. Accounting activities: - which are related to maintenance of books of account.
6. Security activities: - which are related to providing security to the property of the people in the organization. It is also called security sources.

FAYOL'S 14 PRINCIPLES:

1. Division of work:

Dividing the work among different personal. So as to achieve specialization. This concept promotes efficiency and specialization at various levels. This is essential to achieve optimum results in production, marketing, finance, HR, R & D activities. The success of an organization is also based on this principle.

2. Authority and responsibility:

It means giving orders for superiors to subordinates generally. The authority wasted in the hands of superiors or top management in the organization. Top management means chairman, board of directors, MD & CEO. They have the decision making powers. Responsibility means obligation to

accomplish by assigned as in most efficient and effective manner. Lack of responsibility leads to so many problems in the organization.

3. Discipline:

It means obedience towards rules and retardations. It is nothing but showing respect to each other. It promotes dignity and honesty among the employee's and employers. It stabilizes superior subordinate relationship, no organization can successfully run without following this principles.

4. Unity of command:

It means an employee must receive orders from our superior only for any action or activity. It avoid the confusion and conflict. Unity of command is essential for the success of an organization.

5. Unity of direction:

It refers to, there should be one head and one plan. It minimizes the risk and uncertainty at various levels. Unity of direction is essential for the successful running of an organization.

6. Scalar chain:

It refers to the process of flow of information from top to bottom and from bottom to top level management. Effective communication is essential for the successful running of an organization. There should not be any interruption in the flow of communication.

7. Remuneration of personnel:

It refers to the process of payment of wages and salaries to workers and employee's. There should be fair and equitable wage and salary system in every industrial organization. Every organization must pay fair wages and salaries to workers and employees. Good remuneration system encourages workers and employee's to put more effort on production. Good remuneration system is essential for the success of an organization.

8. Centralization:

It refers to concentration of authority at one place in the organization. In other words centralization means concentration of authority in the hands of a few top management personnel. These persons must take decisions. Decentralization means delegation of authority from top management to middle and lower levels. According to fayol there should be balance between centralization and decentralization. However he gave much importance to centralization.

9. Subordination of individual interest to general interest:

This principle is based on the assumption that organization is superior individuals. If there is any conflict between individual interest and general interest, the latter must prevail. It means the organization must be superior to individuals because organization is the basis for management.

10. Order:

It refers to placing right things at the right place. In other words is the process of maintaining men, money, and machinery in a systematic way or proper way. Its role is also very prominent in the organization. Efficient order mechanism is essential for the success of an organization.

11. Equity:

It refers to equal treatment without any discrimination. There should not be any discrimination against cast, gender, religion, area... Etc. the organization must give equal importance to all cadres. They have to pay equal pay for equal work. There should not be any exploitation of labor force.

12. Stability of tenure:

It refers to stability in employment. Every organization must protect the existing employment and workers. They should provide job security to the employees and workers. If they have job security they may pay more effort on production and ultimately the organization name and fame increases.

13. Initiative:

It refers to taking actions and decisions independently. Every worker and employee must work with initiative.

14. Esprit de corps:

It refers to team spirit and team work. It is based on the principle of union is strength. It is nothing but devotion and loyalty towards the organizational goals.

DEFINE INDUSTRIAL ENGINEERING. EXPLAIN ITS APPLICATION:-

The concept of industrial engineering has great significance in the industrial organizations. Today every organization is giving much importance to this concept. Industrial engineering may be defined as the "engineering approach to the detailed analysis of the use and cost of the resources of an organization". The main resources are men, money, material, equipment and machinery. There are valuable productive resources. The industrial engineer carries out such analysis in order to achieve the objectives and policies of the organization. He is associated with organization structure administrative techniques human problems and at the same time he understands the relationship between efficiency and cost. F.W.TAYLOR is considered as the father of the modern industrial engineering. He put forth his ideas on scientific management and work measurement in 1881 and as a result industrial engineering came out as a formal technique in USA. In 1885 Frank B. Gilbreth introduced motion study which is very much related with the work measurement technique of F.W.TAYLOR other pioneers in the field were L.H. Gantt, EMERSON, CARL BRADTH, and SHEWHART. . Etc.

Application:-

Before 1940 industrial engineering was mainly applied to manufacturing industries for improving methods of productivity to develop work standards to formulate production control and wage policies. But after 1940 the use of industrial engineering also spread to non-manufacturing activities also. Such as construction and transportation firm and airline, operation and maintenance, public utilities, government and military operations..etc. in an industry besides the production other groups utilizing industrial engineering concepts are marketing, finance, purchasing, industrial relations...etc.

EXPLAIN THE ROLE OF INDUSTRIAL ENGINEER IN THE ORGANIZATION:-

An industrial engineer plays a vital role in the organization. No, organization can successfully run without industrial engineer. We can analyze the role of industrial engineer in the following manner.

- 1. Optimum use of resources:** his role is very significant in utilizing the existing productive resources in most efficient and effective manner. He always tries to minimize the wastage of resources. Optimum utilization of resources is essential to achieve best results in production, marketing, HR... etc.
- 2. Minimizing the cost of resources and production:** his role is very significant in minimizing the cost of resources and production. He always tries to minimize the cost of production with different techniques and methods. No, organizations can success without getting maximum production with minimum cost.
- 3. Production, planning and control:** his role is very significant in production, planning and control. Designing plans to achieve continuous production without any interruption is the main function of industrial engineer. He designs production plans and also control production mechanism.
- 4. Product, design and development:** his role is very significant in product designing and development. He has perfect knowledge about design and development. Product design and development play a vital role in getting profits. He always try to design best product and also try to develop it. Generally he designs products according to the attitude and interest of customers.
- 5. Inspection and quality control:** his role is very significant in the inspection and quality control. He frequently inspects the product and gives guide lines to the production department. He always tries to produce quality products. No organization cans success without producing quality products. He gives suggestions and guide lines to quality products.
- 6. Plant layout and location:** his role is very significant in designing the plant layout and location. He designs plant layout to achieve best results in each and every aspect. The success of an organization is also based on its plant layout and location.
- 7. Work study:** his role is very significant in work study. He designs work study reports and implement in the organization. He gives suggestions and guidelines to workers and employees. If there is any difficulty or problem. He rectifies it immediately.

8. Method study: his role is very significant in method study. He designs production methods and implement them in the plant. No organization can successfully run without method study. He always tries to introduce new methods in production.

9. Work measurement and work standards: his role is very significant in work measurement. He measures the work done by workers and employees with different techniques and methods. On the basis of work measurement wages and salaries are fixed. He also prepares work standards.

EXPLAIN TAYLOR'S SCIENTIFIC THEORY OF MANAGEMENT?

F.W.TAYLOR was born I 1856 in Philadelphia USA. He worked as a chief engineer in the mid wail steel works. He carried out many experiments to find out the best way of doing work over a period of two decades. In the course of his experiments he discovered high speed steel, which made him world popular. After leaving the mid wail steel works, he joined the Bethlehem steel company where he experimented with his ideas. He published the great works line shop management piece rate system principles of scientific management. He is the first person applied scientific principles to management. Therefore he will be called the father of scientific management.

SCIENTIFIC MANAGEMENT MEANING:-

Application of scientific principles and theories to management is called scientific management. According to Taylor scientific management means knowing exactly what you want men to do and seeing that they do it in the best way and the cheapest way. The scientific methods consist of research and experiments, collection of data, analysis of data and formulation of certain new principles.

PRINCIPLES OF SCIENTIFIC MANAGEMENT:-

Taylor's scientific theory is based on the following principles:-

1. Replacement of old rule of thumb method
2. Scientific selection and training method.
3. Labor management cooperation
4. Maximum output with minimum cost.
5. Equal division of responsibility.

MENTAL REVOLUTION:

It means change in the attitude of management and work force. According to Taylor the mental attitude of management and work force must change. They must respect each other. The management must give due respect to work force the work force must follow the rules and regulations of management.

ELEMENTS OF SCIENTIFIC MANAGEMENT:

To bring scientific management into practice, Taylor suggested the following techniques or elements. They are:

1. Scientific task setting:

Setting the standard task of every worker through scientific investigation

2. Work study:

Work study means a systematic objective and critical determination of operational efficiency in an organization. It includes method study, motion study, time study, fatigue study.. Etc.

3. Rate setting:

It means determination of wages and salaries. Taylor suggested differential piece rate system. If the wages are fixed on the basis of the quantity or volume of the work done by the workers, it is called piece rate system.

4. PLANNING THE TASK:

It refers to determination of the quantity of o/p to be produced by each and every worker in advance.

5. STANDARDIZATION:

It refers to determination of certain standards in production. In other words maintaining quantity at various levels.

6. SCIENTIFIC SELECTION & TRAINING:

It refers to using scientific methods & techniques in selection & training. According to him every organization must follow scientific techniques & methods in selection & training. They have to recruit qualified efficient & experienced persons.

7. DIFFERENTIAL PIECE WAGE PLAN:

It refers to payment of wages & salaries on the basis of quantity of work done by the workers & employees. This plan encourages workers to produce more output.

8. SPECIALIZATION:

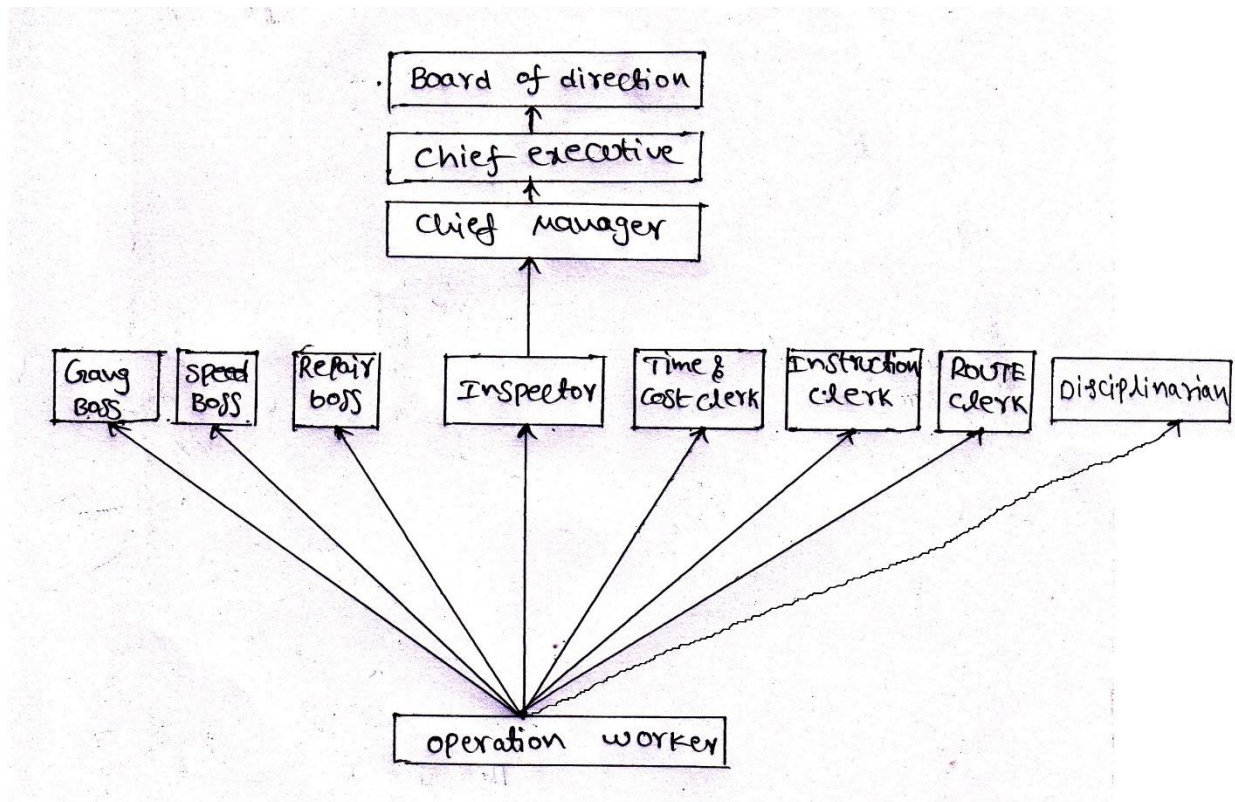
It refers to division of labor Taylor's suggested functional foremanship even at the shop or floor level under this system an operator or worker works under the control of eight foremen, four at the shop level & four at the office level. The four foremen at shop level are

- a) gang boss
- b) speed boss
- c) repair boss
- d) inspector

The four foremen at office level are

- a) time & cost clerk
- b) instruction card clerk
- c) route clerk
- d) disciplinarian

Taylor's scientific theory of management can be understood with the help of following chart.



EXPLAIN DOUGLAS MCGREGOR THEORY- X & THEORY- Y?

Douglas McGregor presented two sets of assumptions in the form of theory -X & theory- Y. To explain the nature of employees & to understand human behavior. These two sets of assumptions are popularly called theory- X & theory -Y.

THEORY -X:-

This theory is based on the following assumptions. They are

- 1) Employees are inherently lazy
- 2) They require constant guidance & support.
- 3) Sometimes they require even coercion & control
- 4) Given an opportunity they would like to avoid responsibility.
- 5) They do not show up any ambition but always seek security.

He explained all the negative features of employees in theory -X.

Theory Y: -

This theory is entirely different from theory- x. it is based on the following assumptions. They are:

1. Some employee's consider work as natural as play or rest.
2. These employees are capable of directing and controlling performance as their own. They are much committed to the objectives of the organization. They show much interest towards the objectives of the organization.
3. Higher wages and salaries makes these employee's more dynamic, committed to organization.
4. Given an opportunity they not only accept responsibility but also look for opportunities to outperform.
5. Most of them are highly imaginative creative and discipline in handling organizational issues. He

Explained all the positive features of employee's in theory -Y.

Distinguish between 'Management and Organisation'.

Management	Organisation
1. Management is defined as the process by which managers in an organization accomplish things through the efforts of other people in grouped activities.	1. Organization is an identifiable group of people Contributing their efforts towards the attainment of common goals.
2. Management is a profession which helps the the individuals to perform every profession in a scientific manner.	2. Organization is a structure which defines she relationships between individuals and positions in an organization.
3. It helps in attainment of goals through limited resources.	3. Strong and result oriented internal organization helps in growing and diversifying the business
4. Management helps in continuing the organization. It makes sure that business is continued.	4. Organization makes sure that manpower is recruited and effectively utilized at various organizational levels.
5. It makes sure that; organizational operations are carried out smoothly without any difficulty.	5. It makes' sure that all the resources are utilized in an optimum manner
6. Management is an art and science.	6. Organization is not an art or science. It is a social group designed for attaining certain goals.

*****THE END*****