

## **Chapter - 1**

# **NATURE AND SIGNIFICANCE OF MANAGEMENT**



*Prepared by:*

**Ajith Kanthi @ Ajith P P**

**SKMJ HSS Kalpetta Wayanad Kerala**

**Ph: 9446162771, 7907712665**

**[www.hssplustwo.blogspot.com](http://www.hssplustwo.blogspot.com)**



# MANAGEMENT

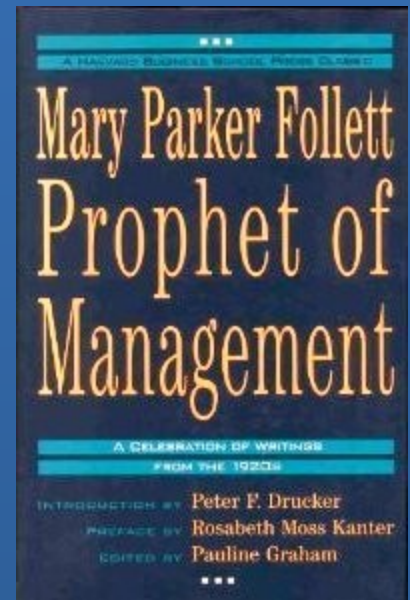
Management simply means getting things done through other people

Getting things done means get the activities carried out through others



# Management

The art of getting things done through others.....

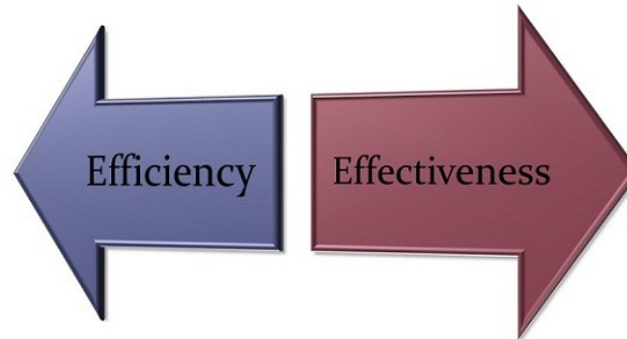


# **Effectiveness** **versus** **Efficiency**



# Effectiveness versus Efficiency

Effectiveness and efficiency are two sides of the same coin. But these two aspects need to be balanced in every organization.



Eg: A company's targeted production is 5000 units in a year, to achieve this target the manager operates the employees on double shifts with high salary which resulted in high production cost. In this case the manager was effective but not efficient.



# Effectiveness versus Efficiency

If the manager reduces the output with fewer resources to cut down the cost but not achieving the target, consequently the goods do not reach the market and hence competitors may enter into the market

This is a case of being efficient but not effective



# Effectiveness versus Efficiency

Therefore, it is important to the management to achieve goals (effective) with minimum resources (efficiency)

Usually high efficiency is associated with high effectiveness which is the aim of all managers

High efficiency without being effective is not desirable and both inefficiency and ineffectiveness leads to poor management



The background of the slide features a light blue rectangular area. Inside this area, five stylized businessmen in dark suits are walking from left to right. They are positioned on top of a series of interlocking gears. The gears are rendered in shades of light blue and white, with a soft, glowing effect. The entire scene is set against a dark blue sky with a hint of a sunset or sunrise on the right side, and a green grassy field is visible at the bottom edge of the frame.

# **Characteristics of Management**

# Characteristics of Management

## 1. Goal Oriented



Management aims at achieving certain specified objectives (goals) of the enterprise

# Characteristics of Management

## 2. Management is Pervasive

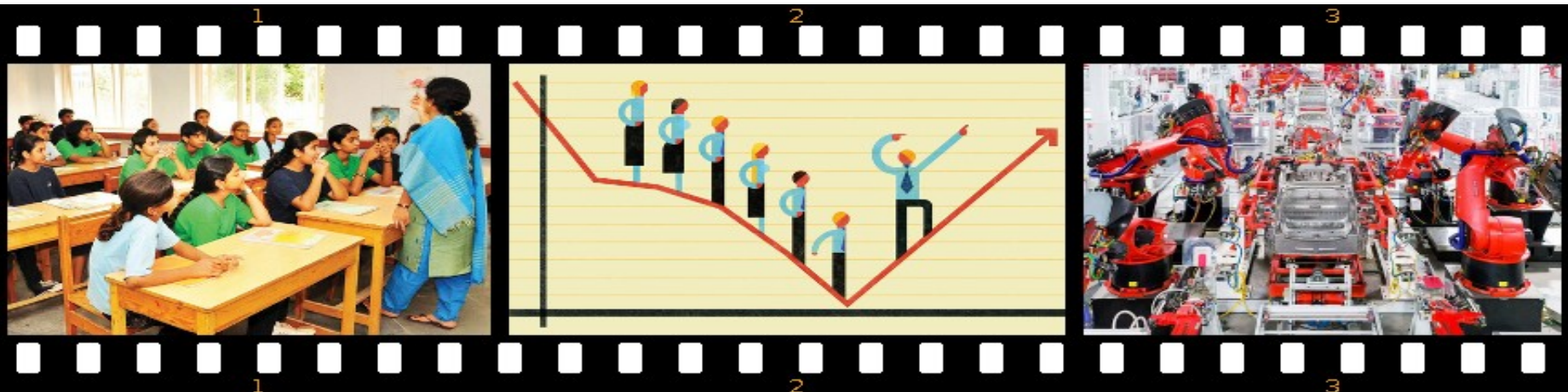


Management activities are universally applicable in all types organizations anywhere in the world

# Characteristics of Management

## 3. Management is Multidimensional

- a) Management of Work
- b) Management of People
- c) Management of Operations



# Characteristics of Management

## 4. Management is a Continuous Process



It involves planning, organizing, staffing,  
directing and controlling



# Characteristics of Management

## 5. Management is a Group Activity



Goals and objectives of an organization can be effectively attained by a group rather than by an individual

# Characteristics of Management

## 6. Management is a Dynamic Function



Management principles are not static in all situations

It must be adopted according to the changing needs of the organization



# Characteristics of Management

## 7. Management is Intangible



Its presence is felt by the result of the organization e.g. increase in profit

# Characteristics of Management

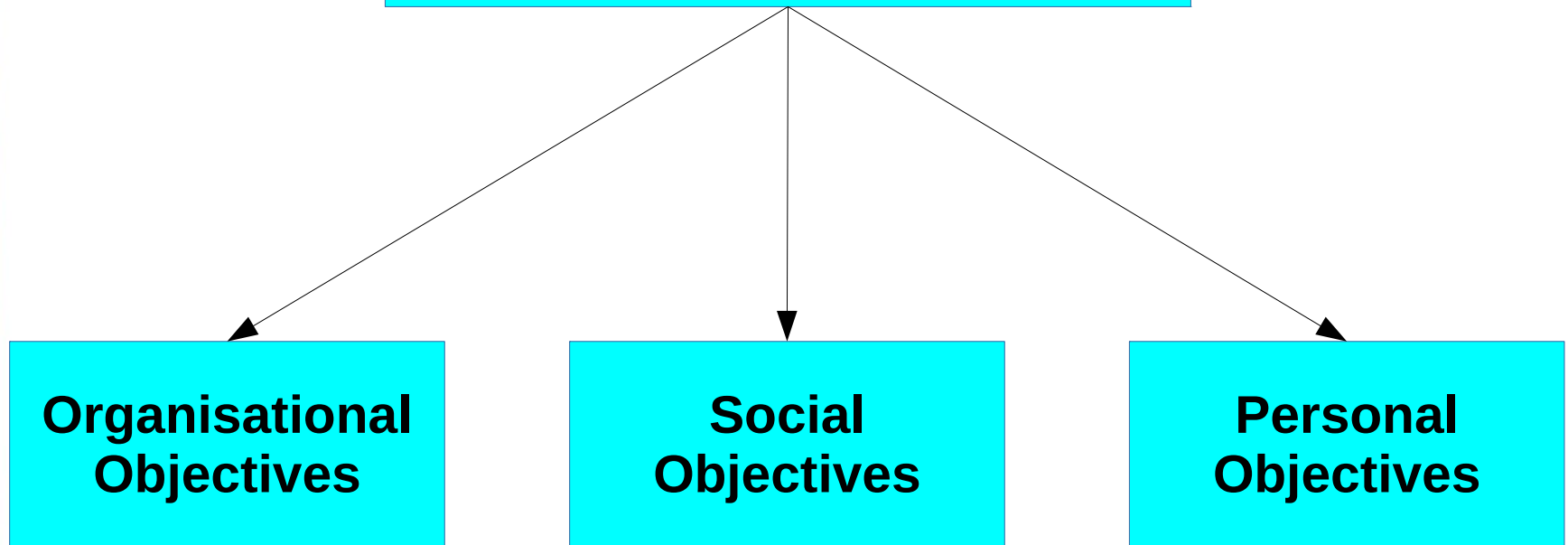
1. Goal Oriented
2. Pervasive
3. Multidimensional
4. Continuous Process
5. Group Activity
6. Dynamic Function
7. Intangible Force



# Objectives of Management



# Objectives of Management



# Objectives of Management

1

## **Organisational Objectives (Economic Objectives)**

Objectives set by management for the organization are called organizational objectives

The elements of economic objectives are  
Survival, Profit and Growth.



# Objectives of Management

2

## Social Objectives

A business should conduct the activities to fulfil the expectations of the society

Undesirable activities should not be undertaken for maximizing profit





# Objectives of Management

3

## Personal Objectives

The management must reconcile personal goals with organizational objectives to have harmony in the organization





# Importance of Management



# Importance of Management

## 1 Helps in achieving group goals

Proper management of all individuals in an organization is very essential for the accomplishment of organizational objectives

Group goal is more important than the individual objectives



# Importance of Management

2

## Increases efficiency

Managements helps to achieve the goals with minimum resources



# Importance of Management

3

## **Creates a dynamic organization**

Appropriate changes must be introduced in the organization as and when it is needed

Management helps the people (employees) to adapt such changes through proper training and motivation



# Importance of Management

4

## **Helps in achieving personal objectives**

Along with the organizational objectives, individual members in the team should be able to achieve their personal goals





# Importance of Management

5

## **Helps in the development of society**

Management develops not only the organization  
but also the society



# Importance of Management

- 1.Helps to achieve Group Goals
- 2.Increases Efficiency
- 3.Creates a dynamic organization
- 4.Helps in achieving personal objectives
- 5.Helps in development of society





# Nature of Management



**Art**



**Science**



**Profession**

# Nature of Management

1

## Management is an Art

Art

Management is an art because a manager uses his skills and knowledge in his day to day activities for achieving the goals of the organization

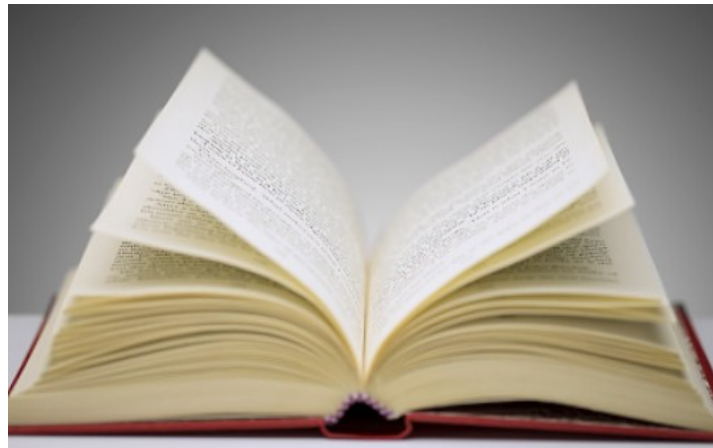


# Features of an Art

**a**

## **Existence of theoretical knowledge**

This knowledge is derived from the experiences of experts and is published in the form of books and literature in different fields like dance, music, public speaking, management etc.



**Art**

# Features of an Art

b

## Personalised application

Art

The use of basic knowledge varies from person to person



Eg: Two dancers, two speakers, two actors etc.  
will differ in demonstrating their art

# Features of an Art

C

**Based on practice and creativity**

Art

Art involves creative practice of existing theoretical knowledge





# Nature of Management

2

## Management is a Science

Science

Science is a systematically organized body of knowledge

It is based on logically observed findings, facts and events





# Features of Science

## Science

- a) Systematised body of knowledge
- b) Principles based on experimentation
- c) Universal validity



# Management as a Science

Although management has a systematized body of knowledge, they cannot be compared with the principles of physical science, which are definite and exact

Therefore, management is an  
**inexact or soft science**



# Nature of Management

3

## Management is a Profession

Profession

A profession is an occupation backed by specialized knowledge and training and to which entry is regulated by a representative body



# Features of Management as a Profession

a

**Well defined body of knowledge**

Profession

Developed by management experts



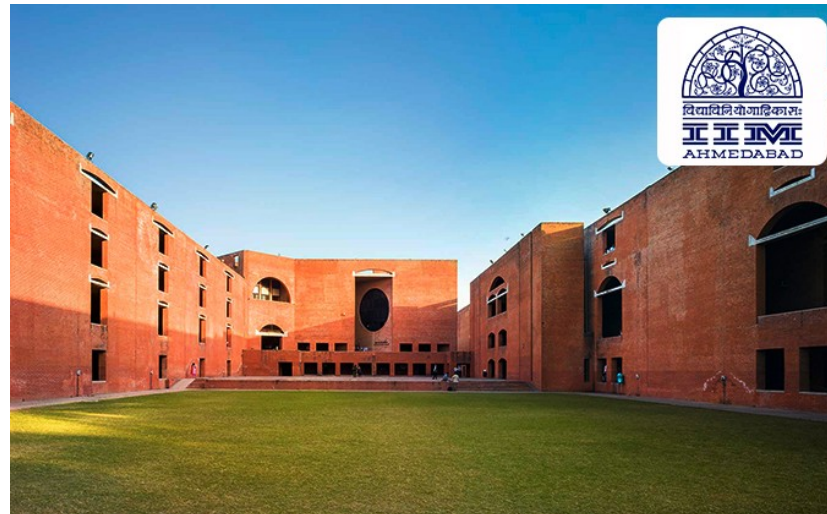
# Features of Management as a Profession

b

## Restricted Entry

Profession

Management requires formal education and training provided by formal institutions like Universities, Professional Organizations such as Institute of Chartered Accountants of India, IIM etc.





# Features of Management as a Profession

C

## Professional Association

Profession

For the implementation of code of conduct  
Eg. All India Management Association (AIMA).





# Features of Management as a Profession

d

## Ethical Codes of Conduct

Profession

All professions are bound by a code of conduct, which guides the behaviour of its members



Eg: Doctors take an oath of ethical practice at the time they enter the profession

# Features of Management as a Profession

e

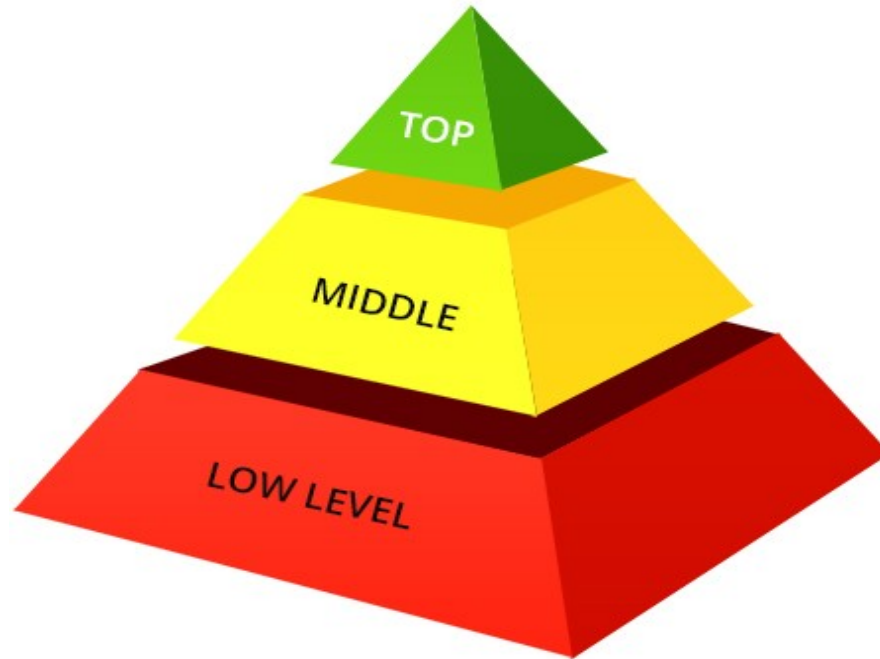
## Service Motive

Profession

The primary objective of a profession is providing service to the society



# Levels of Management



Ajith Kanthi Wayanad  
[www.hssplustwo.blogspot.com](http://www.hssplustwo.blogspot.com)

# Levels of Management

Levels of management refers to the arrangement of managerial positions in an organization.

There are generally three levels of management

Top Level, Middle Level and Lower Level (Supervisory or Operational) Management



# Top Level Management

Top level management consists of managers at the highest level in the management hierarchy

Chairman, managing directors, board of directors, chief executive and general managers are regarded as top level management in a business organization





# Top Level Management

This level of management is responsible for framing business policies and taking major decisions

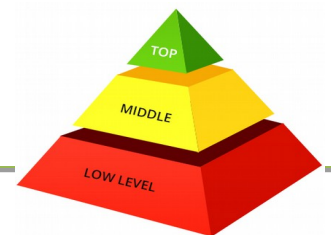
They perform administrative functions more than the managerial functions





# Functions of Top Level Management

1. Lays down the objectives of business.
2. Prepares plans and policies.
3. Issues instructions to departments.
4. Appoint executives in middle levels.
5. Coordination of activities.
6. Controls the departments.
7. Maintain relationship with outsiders.



# Middle Level Management

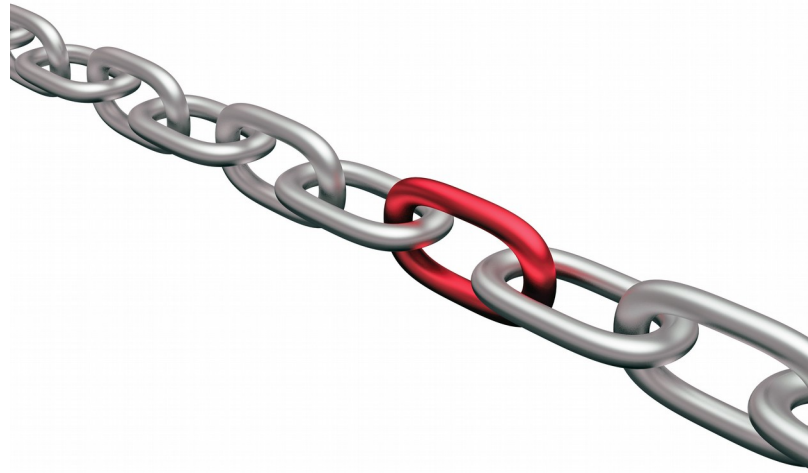
This level of management consists of different departmental heads



These managers receive orders and instructions from top level managers and pass them to their subordinates

# Middle Level Management

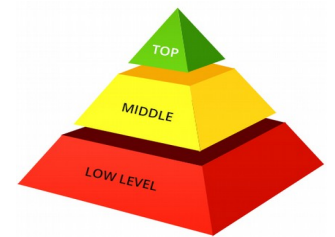
These managers are responsible for executing the plans formulated by top management



This level acts as an intermediary between the top management and the lower level management

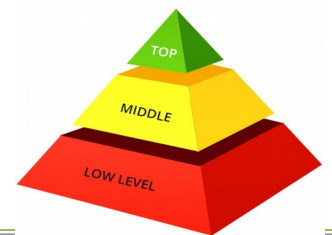
# Functions of Middle Level Management

1. Closer watch on day to day results
2. Participate in operating decisions
3. Implementation of policies
4. Communicating policies to lower level
5. Planning the activities of own department



# Functions of Middle Level Management

- 6. Directing managers at lower level
- 7. Evaluating performance of employees
- 8. Reporting to top level
- 9. Cooperating with other departments
- 10. Motivating employees based on performance



# Lower Level Management

This level is also known as Supervisory Management or Operational Management



It consists of foreman, supervisors, finance and accounts officers, sales officers etc. They assign specific jobs to the workers, evaluate their performance and report to the middle level management.



# Functions of Lower Level Management

1. Planning day to day activities
2. Assign jobs and tasks to workers
3. Reporting feedback to higher level
4. Taking corrective actions
5. Personal contact with the employees
6. Link between middle level and workers
7. Providing on the job training to workers

# FUNCTIONS OF MANAGEMENT

Planning

Organizing

Staffing

Directing

Controlling



# Functions of Management

- P – Planning
- O – Organizing
- S – Staffing
- D – Directing
- Co – Controlling



# Functions of Management

The activities or elements which a manager performs are called functions of management

They are planning, organizing, staffing, directing and controlling



Planning

Organising

Staffing

Directing

Controlling

# Planning

It is the act of deciding in advance **‘what to do’**, **‘when to do’**, **‘how to do’** and **‘who will do’** a particular job

It is a process which involves thinking before doing





# Organising

It is a process of establishing relationship among the members of the enterprise

The relationship is created in terms of authority and responsibility

## ORGANIZING





# Staffing

Staffing function comprises recruitment, selection, training, development and appraisal of employees in an organization



Its aim is to place the right person at the right job at the right time

# Directing

It is concerned with instructing, guiding, and inspiring people in the organization to achieve organizational goals

Direction is not only issuing orders and instructions by superior to subordinate, but also guiding, motivating and leading them



Direction is the heart of management

# Controlling

It deals with the measurement and correction of the performance of persons against the predetermined standard

## Steps in Controlling:

- a) Establishment of standards
- b) Measurement of performance
- c) Comparing actual performance with standards
- d) Taking corrective actions





# **Coordination**

## **The essence of**

## **Management**

Ajith Kanthi Wayanad  
[www.hssplustwo.blogspot.com](http://www.hssplustwo.blogspot.com)

# Coordination

Coordination refers to the process of integrating the activities of different units of an organization to achieve the organizational goals



Coordination is needed in all the functions of management and in all the levels of management, therefore, coordination is considered as the **essence of management**

# Characteristics of Coordination

1

## Integration

It refers to the unification of all the unrelated activities or diverse interest which must be brought together so as to accomplish the work effectively



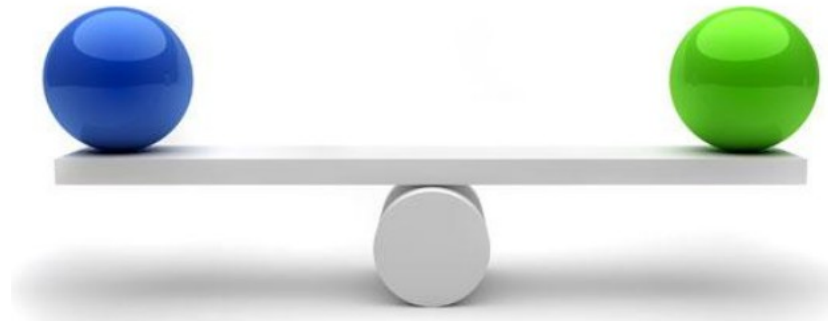


# Characteristics of Coordination

2

## Unity of Action

Coordination helps to maintain unity of action among the activities of one department with that of another



Eg: Purchase department should purchase enough material which are necessary for the production department. Imbalance between these two departments will cause loss to the organization.

# Characteristics of Coordination

3

## Continuous Process

Management is a continuous process and coordination is associated with all other functions of management, so that it is a continuous process

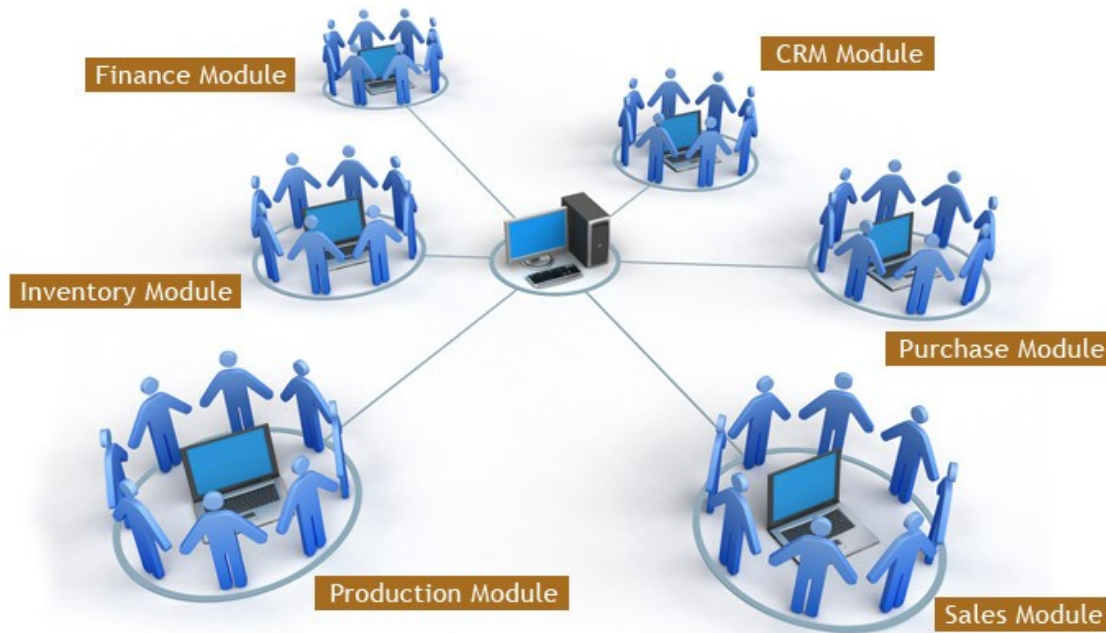


# Characteristics of Coordination

4

## Pervasive

Coordination requires at all levels of management and in all departments of the organization



# Characteristics of Coordination

## **Responsibility of all Managers**

All managers in the organization are responsible to coordinate the activities in their respective levels of management



**Responsible**

# Characteristics of Coordination

6

## Deliberate Function

A manager has to coordinate the efforts of different people in a deliberate manner

Even if the members in a department are very cooperative, coordination gives a direction to that willing spirit



Cooperation without coordination may lead to wasted effort and coordination without cooperation creates dissatisfaction



# **Importance of Coordination**



# Importance of Coordination

1

## Growth in Size

As an organization grows in size, the number of people employed will also be increased.

All individuals differ in their habits, approaches etc. So that it becomes necessary to coordinate their efforts to the common goal



# Importance of Coordination

2

## Functional Differentiation

The functions of an organization is divided into departments and their objectives are also different.

Marketing department may try to increase the sales volume by offering 10% discount, but the finance department may not approve it because of loss in revenue

In such a situation coordination has a vital role in the integration of efforts by the above two departments

# Importance of Coordination

3

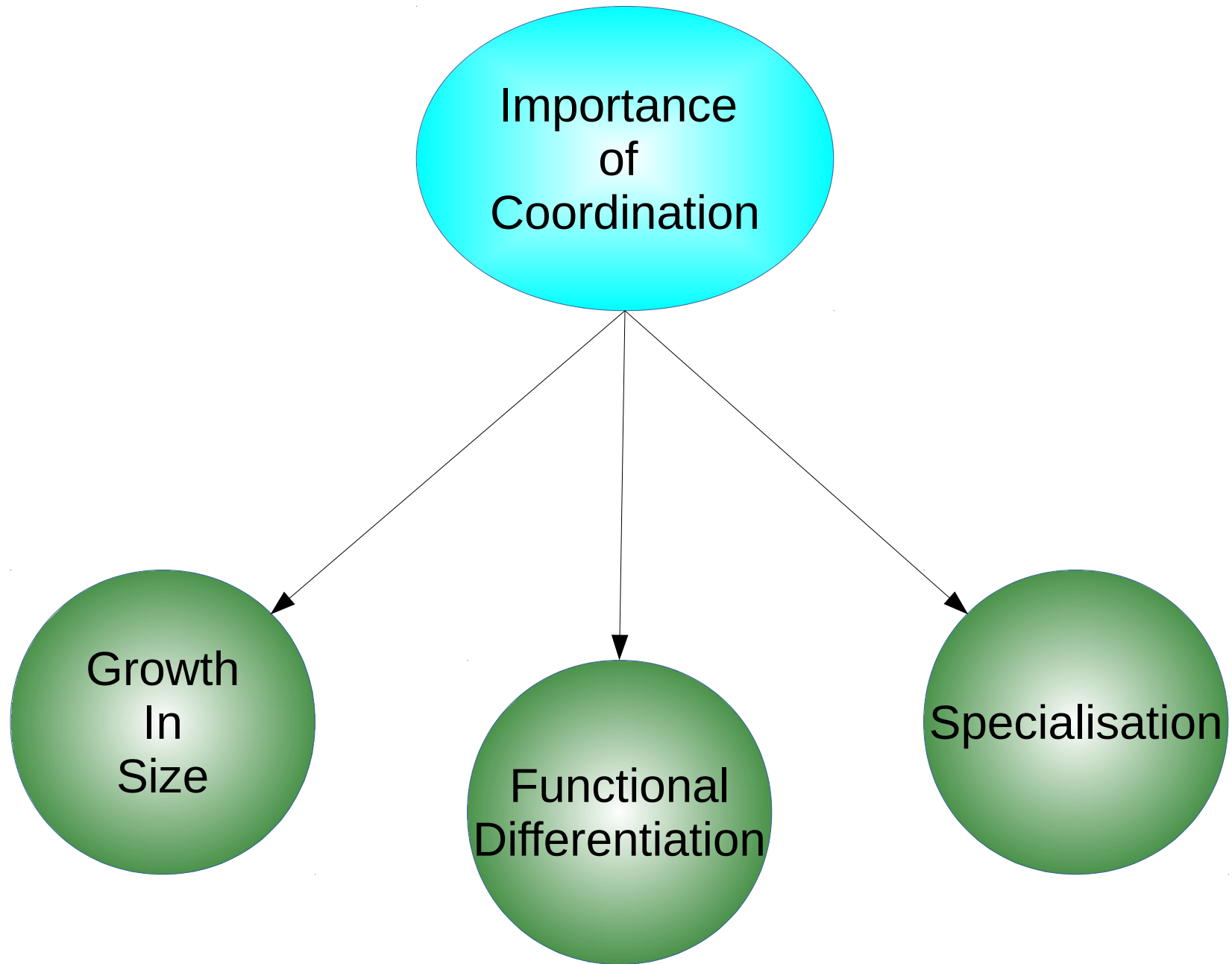
## Specialisation

Now a days many organizations appoint specialists in different jobs

These specialists may think that, they are qualified to evaluate, judge and decide in their professional area. They do not take advice from others

This often leads to conflict among different specialists

Coordination plays an important role to bring harmony among these personnel for the benefit of the organisation



# **Management in 21<sup>st</sup> Century**

# Management in 21<sup>st</sup> Century

Due to the development of communication technology and the positive changes in government policies towards international business, it is possible to think of the world as a “**global village**” and the scope of international and inter-cultural relationships is rapidly expanding





# Management in 21<sup>st</sup> Century

Modern organization is a global organization that has to be managed in a global perspective



*Prepared by:*

**Ajith Kanthi @ Ajith P P**

**SKMJ HSS Kalpetta Wayanad Kerala**

**Ph: 9446162771, 7907712665**

**[www.hssplustwo.blogspot.com](http://www.hssplustwo.blogspot.com)**





**END**

BEST ANIMATIONS