

## **Meaning and Definitions of Management :**

Management is the art of maximizing efficiency, as a social process, a method of getting things done through others a plan of action and its direction by a co-operative group moving towards a common goal. Effective utilisation of available resources to achieve same objective is management.

Management is a comprehensive function of Planning, Organising, Forecasting Coordinating, Leading, Controlling, Motivating the efforts of others to achieve specific objectives. Management can precisely be called the rule – making and rule – enforcing body.

### **Definitions:**

According to Henry Fayol, “To manage is to forecast and to plan, to organise, to command, to co-ordinate and to control”.

According to Peter F Drucker, “Management is a multi-purpose organ that manages a business and manages managers and manages worker and work”

In the words of George R Terry, “Management is a distinct process consisting of planning, organising, actuating and controlling performed to determine and accomplish the objectives by the use of people and resources”.

In the words of Koontz and O’Donnel, “Management is defined as the creation and maintenance of an internal environment in an enterprise where individuals working together in groups can perform efficiently and effectively towards the attainment of group goals”.

### **Nature of Management:**

Management is both a Science as well as an Art Management is both a science as well as an art.

The science of management provides certain general principles which can guide the managers in their professional effort. The art of management consists in tackling every situation in an effective manner. As a matter of fact, neither science should be over-emphasised nor should be the art discounted; the science and the art of management go together and are both mutually interdependent and complimentary.

**Science** may be described, “as a systematic body of knowledge pertaining to an area of study and contains some general truths explaining past events or phenomena”. The above definition contains three important characteristics of science.

They are:

1. It is a systematized body of knowledge and uses scientific methods for observation,
2. Its principles are evolved on the basis of continued observation and experiment, and
3. Its principles are exact and have universal applicability without any limitation.

‘**Art**’ refers to “the way of doing specific things; it indicates how an objective is to be achieved.” Management like any other operational activity has to be an art. Most of the managerial acts have to be cultivated as arts of attaining mastery to secure action and results. The above definition contains three important characteristics of art.

They are:

1. Art is the application of science. It is putting principle into practice
2. After knowing a particular art, practice is needed to reach the level of perfection.
3. It is undertaken for accomplishing an end through deliberate efforts

**Management is thus a science as well as an art. It can be said that—"the art of management is as old as human history, but the science of management is an event of the recent past."**

### **Scope of Management:**

The scope of management is too wide. Herbison and Myres have tried to restrict it under three broad groups, viz.

1. Economic Resource
2. System of Authority
3. Class or Elite

#### **1. Economic Resource:**

Business Economics classifies the factors of production into four basic inputs, viz. land, labour, capital and entrepreneur. By the use of all these four, basic production can be done. But to turn that into a profitable venture, an effective utilization of man, money, material, machinery and methods of production has to be ensured. This is guaranteed by application of management fundamentals and practices. The better is the management of an enterprise, the higher is its growth rate in terms of profit, sales, production and distribution. Thus management itself serves as an economic resource.

#### **2. System of Authority:**

Management is a system of authority. It formalises a standard set of rules and procedure to be followed by the subordinates and ensures their compliance with the rules and regulations. Since management is a process of directing men to perform a task, authority to extract the work from others is implied in the very concept of management.

#### **3. Class or Elite:**

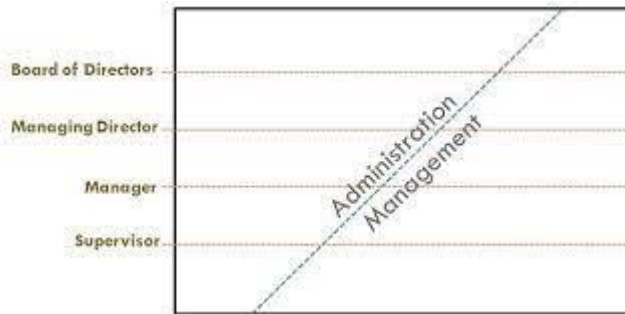
Management is considered to be a distinct class that has its own value system. Managerial class, often referred to as a collective group of those individuals that perform managerial activities is essential component of each organisation. The importance the class has become so huge that the entire group of managers is known as "management" in every organisation.

**Management Vs Administration :**

Administration is a thinking function and where as management is a doing function.

Administration is generally regarded as a top level activity which is mainly concerned with laying down broad goals and objectives. Management on the other hand, is concerned with the accomplishment of those goals and policies.

On the other hand, management, is concerned with the execution of policy, within the limits set up by the administration and the employment of the organization for the particular object set before it.



**Distinction between Administration and Management**

<b>Administration</b>	<b>Management</b>
It is concerned with the formation of with objectives, plans and policies	It means getting things done through and people.
It makes major policy decisions	It makes decisions with the frame work of administration.
It is a top- level management function.	It is a lower –level management functions.
It is a thinking function	It is a doing function

## Managerial Skills :

A skill is an acquired and learned ability to translate knowledge into performance. It is the competency of a person that allows his performance to be superior. All managers need to possess various skills which are necessary to carry at their jobs successfully.

An effective manager must possess certain skills in the areas of planning, organising, leading, controlling and decision-making in order to process activities that are presented to him from time to time.

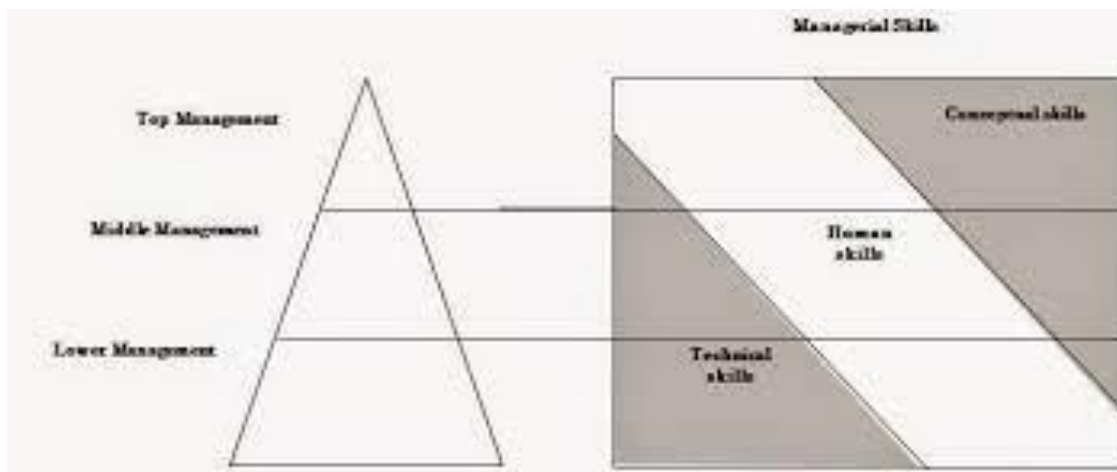
In order to be effective, a manager must possess and continuously develop several essential skills. Robert L. Katz has identified three basic types of skills - technical, human and conceptual - which he says are needed by all managers.

(i) Technical skills : Technical skills are necessary to accomplish or understand the specific kind of working done in an organisation. The persons who are working with tools and techniques are needed such skill. Ex: Engineers, Scientists , Computer programmers etc. Technical skills are essential for first line managers who spend their time in training their subordinates and clear their doubts regarding were.

(ii) Human skills or Interpersonal Skills: Human skill is the ability to work with other people in a cooperative manner. Human skill are essential to hence effective team work in the organisation. It involves patience, understanding trust and genuine involvement in interpersonal relationship,

(iii) Conceptual skills : Such skills are essential to the managers to understand the overall working of the organisation and harmonise the working of the sub- systems for reaching the organisational objectives.

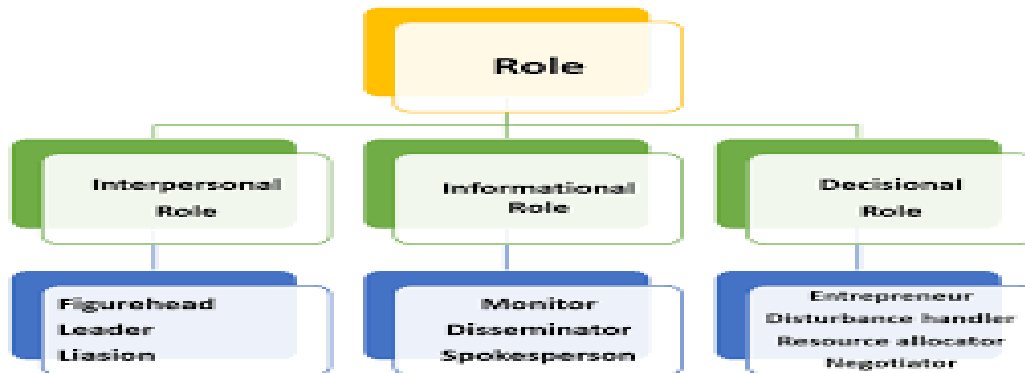
(iv) Design skill: Koontz and Weihrich added one more skill to the above list. Design skill is the ability to solve problems in ways that will help the organisation. At higher levels, managers should be able to do more than see a problem, to design a workable solution to a problem in the light of realities they face. If managers merely see a problem and become problem watchers they will fail.



## Roles of a Manager :

The diverse roles played by managers in discharging their duties have been summarised by Henry Mintzberg in the late 1960s, under three broad headings:

**interpersonal roles, informational roles and decisional roles.**



## **10 Managerial Roles are:**

### **1. Inter personal Role :**

- (a) Figure head.
- (b) Leader
- (c) Liason

### **2 Informational Role:**

- (a) Monitor
- (b) Disseminator
- (c) Spokesperson

### **3 Decisional Role :**

- (a) Entrepreneur
- (b) Disturbance Handler
- (c) Resource Allocator
- (d) Negotiator

**1. Interpersonal roles:** Three interpersonal roles help the manager keep the organisation running smoothly. Managers play **the figurehead role** when they perform duties that are ceremonial and symbolic in nature. These include greeting the visitors, attending social functions involving their subordinates (like weddings, funerals), handing out merit certificates to workers showing promise etc. The **leadership role** includes hiring, training, motivating and disciplining employees. Managers play the **liaison role** when they serve as a connecting link between their organisation and others or between their units and other organisational units. Mintzberg described this activity as contacting outsiders who provide the manager with information. Such activities like acknowledgements of mail, external board work, etc., are included in this category.

**2. Informational roles:** Mintzberg mentioned that receiving and communicating information are perhaps the most important aspects of a manager's job. In order to make the right decisions, managers need information from various sources. Typically, this activity is done through reading magazines and talking with others to learn about changes in the customers' tastes, competitors' moves and the like. Mintzberg called this the **monitor role**. In the **disseminator role**, the manager distributes important information to subordinates

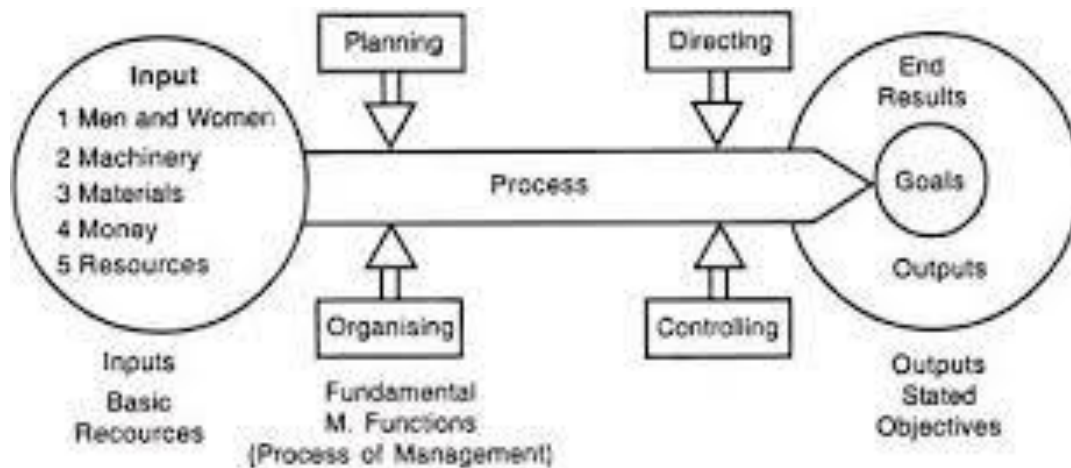
that would otherwise be inaccessible to them. Managers also perform the **spokesperson** role when they represent the organisation to outsiders.

**3. Decisional roles:** There are four decision roles that the manager adopts. In the role of **entrepreneur**, the manager tries to improve the unit. He initiates planned changes to adapt to environmental challenges. As **disturbance handlers**, managers respond to situations that are beyond their control such as strikes, shortages of materials, complaints, grievances, etc. In the role of a **resource allocator**, managers are responsible for allocating human, physical and monetary resources. As **negotiators**, managers not only mediate in internal conflicts but also carry out negotiations with other units to gain advantages for their own unit

### **Management Process :**

Management was defined as a Process . Process means a series of operations or actions necessary to achieve certain results. It is a human and social process directed at individuals to get things done by them. It consists of many actions or activities or functions which are to be carried out in a logical sequence. Management is a continuous process because it has no definable end and steps or elements involved in it are to be performed in a continuous cycle. The elements or activities which are performed in this process are known as functions of management.

Brech states “ Management is a social process entailing responsibility for the effective and economical planning and regulation of the operation of an enterprise “.



**Fig. 1.1. Process of Management**

**Management functions varies from one thinker to another .**

**According to Henry Fayol :**

Functions of management are classified into five categories.

- (i) Forecasting and Planning.
- (ii) Organising
- (iii) Commanding
- (iv) Co-ordinating and
- (v) Controlling

**According to Lyndall Urwick**

He classified the management functions into six categories.

- (i) Forecasting
- (ii) Planning
- (iii) Organising
- (iv) Command
- (v) Co-ordination and
- (vi) Control

**According to L . Gullick :**

He explained the functions of management by a keyword “ POSDCORB ”. Each letter of the key word denotes are functions i.e.

P for Planning

O for Organising

S for Staffing

D for Directing

Co for Co-ordinating

R for Reporting

B for Budgeting

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- Harold Koontz, Cyril O ‘ Donnell and Weirich, Management ’, McGraw Hill, New York
- Drucker , Peter F, “ Management Tasks, Responsibilites and Practices ”Allied Publishers Private Ltd., New Delhi.