



Business Studies

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Management

Meaning of Management

MANAG/MEN/T Means management of men tactfully.

In simple words, management is, “getting things done through others”.

“Management means knowing exactly what you want your men to do and seeing that they do it in the best and cheapest way .”

“Management is the set of functions.”

Effectiveness Vs. Efficiency

- **Effectiveness:-** It refers to completing the job on time, no matter, whatever the cost. Effectiveness is achieved while completing a task on time.
- **Efficiency:-** It refers to doing the job in a cost effective manner, means to have same output with less inputs or more outputs with same inputs.

Difference between Effectiveness and Efficiency

Basis of Difference	Effectiveness	Efficiency
1. Meaning	It refers to complete the job on time, no matter whatever the cost.	It refers to complete the job in the cost-effective manner.
2. Objective	To achieve end results on time	To conduct cost-benefit analysis
3. Main Consideration	Time	Cost

Features of Management

- **Management is goal oriented**
- **Management is all pervasive**
- **Management is continuous activity**
- **Management is multi-dimensional activity**
- **Management is a dynamic function**
- **Management is a group activity**
- **Management is an intangible force**

1. Management is goal oriented



2. Management is all Pervasive



3. Management is continuous process



4. Management is Multi-Dimensional Activity



5. Management is a Group Activity



6. Management is a Dynamic Function



7. Management is an Intangible Force

Management is Intangible:

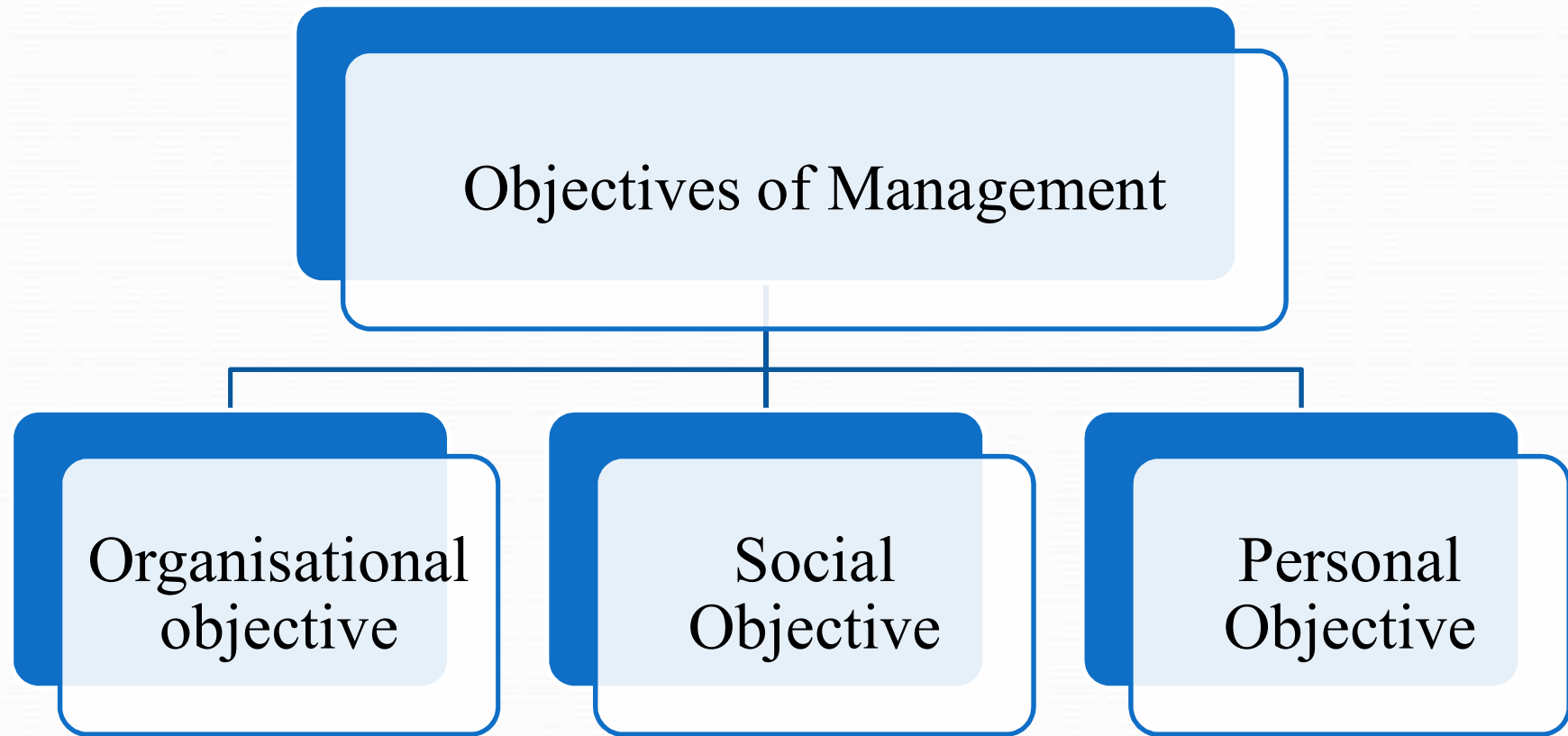
- ❑ Management is an unseen or invisible force. It cannot be seen but its presence can be felt everywhere in the form of results.
- ❑ However, the managers who perform the functions of management are very much tangible and visible.



7. Importance of Management

- Management helps in achieving group goals
- Management increases efficiency
- Management creates a dynamic organisation
- Management helps in achieving personal objectives
- Management helps in the development of society

7. Objectives of Management





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graph TD; A[Organisational or Economic Objectives] --> B[Survival]; A --> C[Profit]; A --> D[Growth]
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Organisational or Economic Objectives

Survival

Profit

Growth

Organisational or Economic Objective of Management

- **Survival:-** The basic purpose of every organisation is to survive in the competitive market for a long period of time, for this an organisation must earn enough profit.
- **Profit:-** Mere survival is not enough for business. Management has to ensure that the organisation makes a profit, which is pre-condition for the continued successful operation of the enterprise.
- **Growth:-** Management should make best possible efforts for the growth of business. Growth can be measured in terms of increase in sales, number of products, number of employees etc.

Social Objective of Management

- It involves the creation of benefit for society. Every business and non-business organisation has a social obligation to fulfill. This refers to consistently creating economic values for various constituents of society. This includes using environmental friendly methods of production, giving employment opportunities etc.



Personal Objective of Management

- **Organisation are made up of people who have different personalities background, experiences and objectives. They all become part of the organisation to satisfy their diverse needs. These are increase in the salaries, perks, personal growth and development, peer recognition etc.**





Management

- **Management Meaning**
- **Features of Management**
 - a) **Management is goal oriented**
 - b) **Management is all pervasive**
 - c) **Management is continuous activity**
 - d) **Management is multi-dimensional activity**
 - e) **Management is a dynamic function**
 - f) **Management is a group activity**
 - g) **Management is an intangible force**



Importance of Management

- a) Management helps in achieving group goals
- b) Management increases efficiency
- c) Management creates a dynamic organisation
- d) Management helps in achieving personal objectives
- e) Management helps in the development of society



Objectives of Management

- **Organisational Objectives**

- a) Survival

- b) Profit

- c) Growth

- **Social Objectives**

- **Personal Objectives**

Management as a Science

Meaning of Science



Science is the systematised body of knowledge that explains certain general truths or the operations of general laws. **In other words**, science is the systematised body of knowledge based on experiments and whose results are verifiable.

Features of Science which are found in Management

- **Systematised body of knowledge**
- **Principles based on experimentation**
- **Universal validity**



Management as an Art

Meaning of Art

What is art? Art is the skillful and personal application of existing knowledge to achieve desired results. It can be acquired through study, observation and experience. Its creative in nature.



Features of Management as an Art

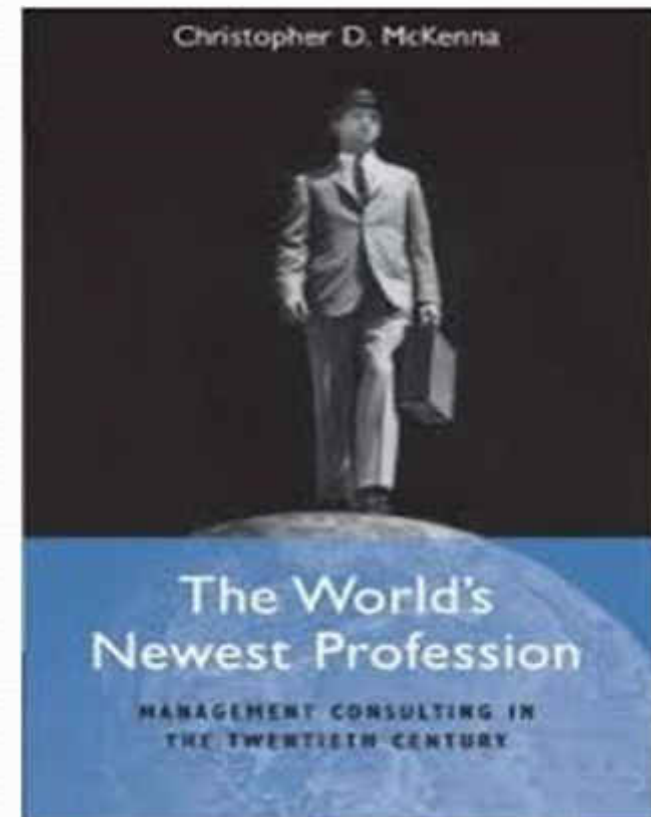
- Existence of theoretical knowledge
- Personalised application
- Based on practice and creativity



Management as a Profession

Meaning of Profession

Profession means an occupation for which specialised knowledge and technical skills are required and which is used to serve the society impartially.



Features of Profession

- Well-defined Body of Knowledge
- Restricted Entry
- Professional Associations
- Ethical Code of Conduct
- Service Motive

Levels of Management

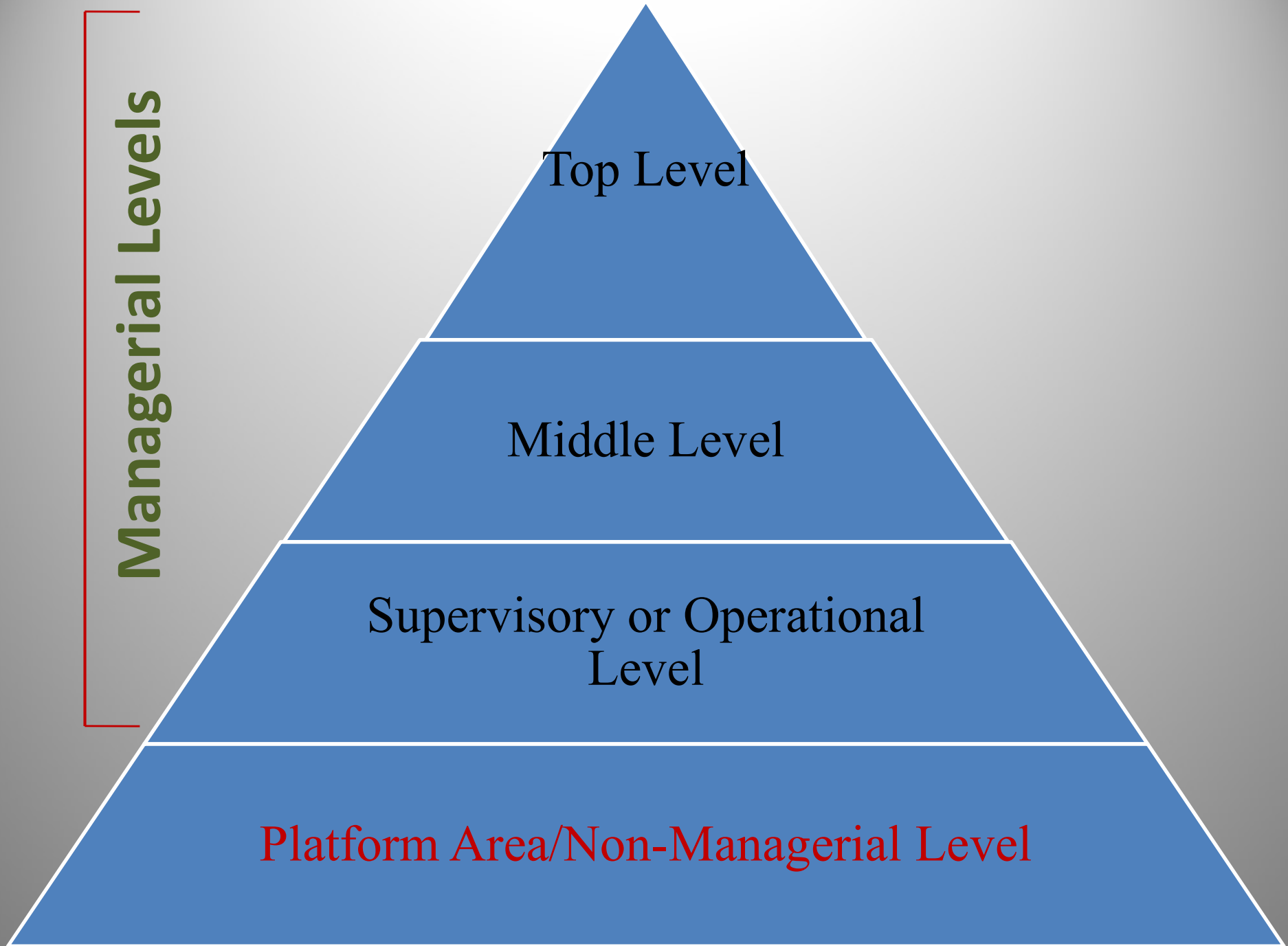
Managerial Levels

Top Level

Middle Level

Supervisory or Operational
Level

Platform Area/Non-Managerial Level



Top

CEO,
Chairman,
Chief Manager,
Managing Director,
Board of Director

Middle

Functional Manager, Dept.
Heads, Other Executive Heads

Lower

Supervisors, Foreman, Inspector etc.

Platform

Area

Workers



Functions of Top Level Management

- Determining objectives
- Determining policies
- Determining activities like, sales, purchase, production, advertisement etc.
- Assembling the required resources including finance and fixed assets.
- Controlling the work performance
- Approving budgets

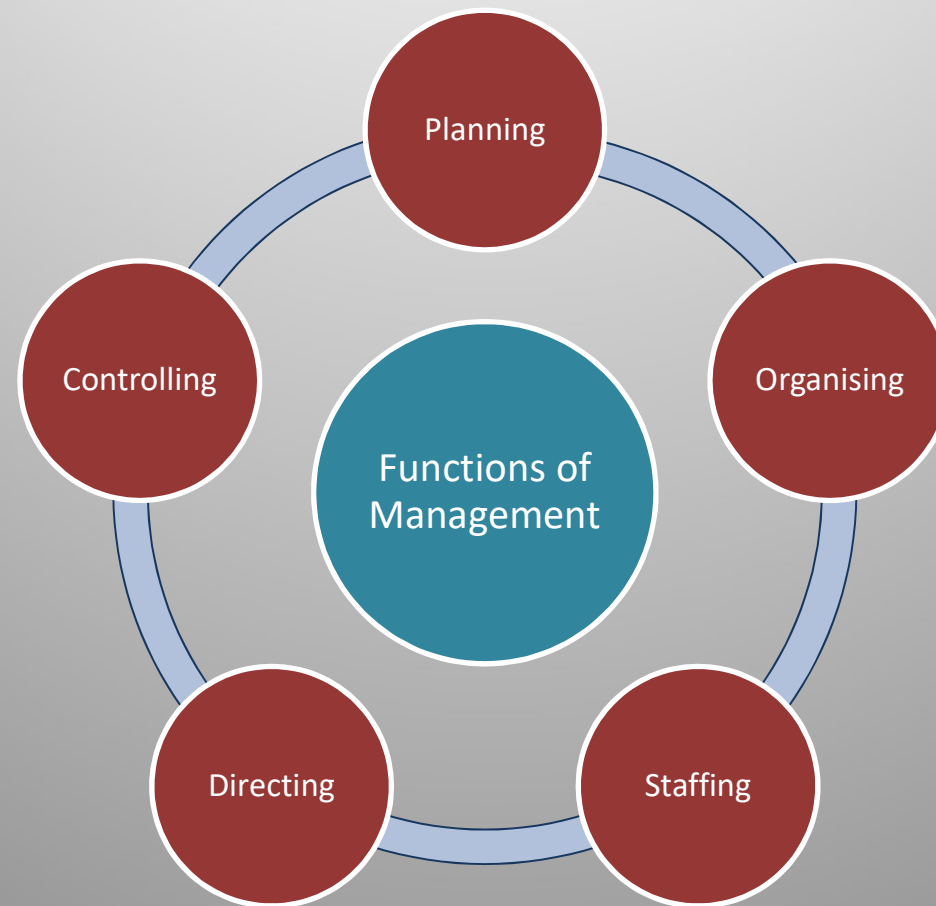
Functions of Middle Level Management

- Interpretation of plans and policies framed by Top Level Management
- Preparation of organisational setup in their departments
- Provide the link between top level and supervisory level of management
- Issuing instructions
- Motivating employees
- Creating coordination among different divisions
- Appointing employees in their departments

Functions of Lower or Supervisory Level Management

- Submitting worker's grievances to middle level
- Ensuring proper working environment and safety of workers
- Ensuring the performance of the workers.
- Giving direction, guidelines to the workers and solving the problems of workers.
- Giving instruction to workers.
- Maintain discipline among the workers.
- Making initial arrangement of tools, equipments etc. required for production.

Functions of Management



1. Planning

It refers to thinking before hand. In other words, planning is the determination of a future course of action to achieve a desired results.

Planning means thinking in advance what should be done, how it should be done, where and when it should be done and who should do it.

2. Organising

It refers to harmonious adjustment of various parts to achieve common objectives. Under this, the whole project is divided into various small jobs, to assign these jobs to designated posts, to unite various jobs into one department, to clarify the rights and duties of employees to be appointed at various posts and to define relationship among various posts (employees).

3. Staffing

It refers to filling and keeping the post with people. Organising prepares a structure of various posts and staffing deploys people on these posts so that job can be performed.

4. Directing

It refers to instructing, guiding, communicating and inspiring people in the organisation. Under directing following four activities are included:-

1. Supervision
2. Communication
3. Leadership
4. Motivation

5. Controlling

It refers to bringing the actual results closer to the desired results.

Coordination

Meaning of Coordination

“Coordination refers to that process through which harmony is established among different activities of an organisation, so that organisational objectives can be achieved successfully.”

In simple words, “Coordination is to balance its various activities (purchase, sales, finance, production, etc.) so that objectives of business can be easily achieved”. It is also known as “Synchronization of Resources”.

Characteristics of Coordination

- **Coordination integrates group efforts**
- **Coordination ensures unity of action**
- **Coordination is the continuous process**
- **Coordination is all pervasive function**
- **Coordination is the responsibility of all managers**
- **Coordination is a deliberate function**

1. Coordination Integrates Group Efforts

Coordination is required when group efforts are needed. If the job is done by one person only then the question of coordination does not arise.



2. Coordination Ensures Unity of Action

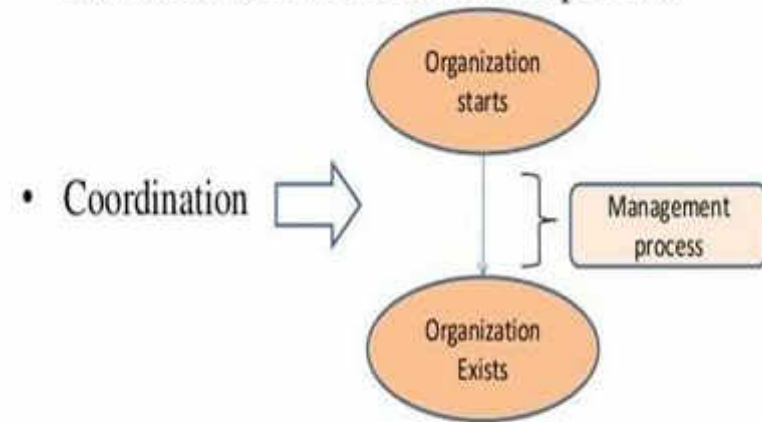
During coordinating process an effort is made to create unity among the various activities of an organisation.



3. Coordination is a Continuous Process

It is not a job which can be performed once and for all, but its need is felt at every step.

- Coordination must be a continuous process.



- Management process includes planning, organising, directing, controlling.

4. Coordination is all pervasive

Coordination is applicable to business and non-business organisation uniformly. The nature of coordination is pervasive.



5. Coordination is the responsibility of all managers

Coordination is needed at all levels of management. Different activities performed at different levels are equally important.



6. Coordination is a Deliberate Function

Coordination is never established by itself but it is a deliberate effort.



Importance of Coordination

- Size of the Organisation
- Functional Differentiation
- Specialisation
- Interdependence of different processes

Coordination is the Essence of Management

“Coordination is the essence of management”. It means when a manager performs all the management functions, he or she remains busy in establishing coordination. This fact is highlighted through the following discussion:

1. Coordination and Planning
2. Coordination and Organising
3. Coordination and Staffing
4. Coordination and Directing
5. Coordination and Controlling