



Introduction

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Chapter 1: Nature and Significance of Management

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Management:

“Management is defined as the process of planning, organizing, actuating and controlling an organization’s operations in order to achieve coordination of the human and material resources essential in the effective and efficient attainment of objectives.”

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Concept of Management

Management is a process that aims to bring the efforts of the people working in the organization to achieve a common objective effectively and efficiently.



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Concept of Management

Process: The term process refers to the primary activities performed in an organization by the management to achieve the objective. It includes planning, organizing, staffing, directing and controlling.

Effectively: The term effectively refers to completion of the given task in the allotted time frame.

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Concept of Management

Efficient: The term efficient means completing the task within minimum cost as well as optimum utilization of resources.

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Characteristics of Management

1. Management is a Goal Oriented Process Organisation's existence is based on objectives and management is the process which unites the efforts of every individuals to achieve the goal.
2. Management is All Pervasive The use of management is not restricted, it is applicable in all organisations big or small, profit or non-profit making.

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Characteristics of Management

3. Management is Multidimensional it does not contain one activity. it is a complex activity including three main activities:

- **Management of house.**
- **Management of people.**
- **Management of operations.**

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Characteristics of Management

4. Management is a Continuous Process It is a never ending process. It consists of series of

interrelated functions which performs continuously.

5. Management is a Group Activity Organisation is a collection of many individuals, every

individual contributes towards achieving the goal.

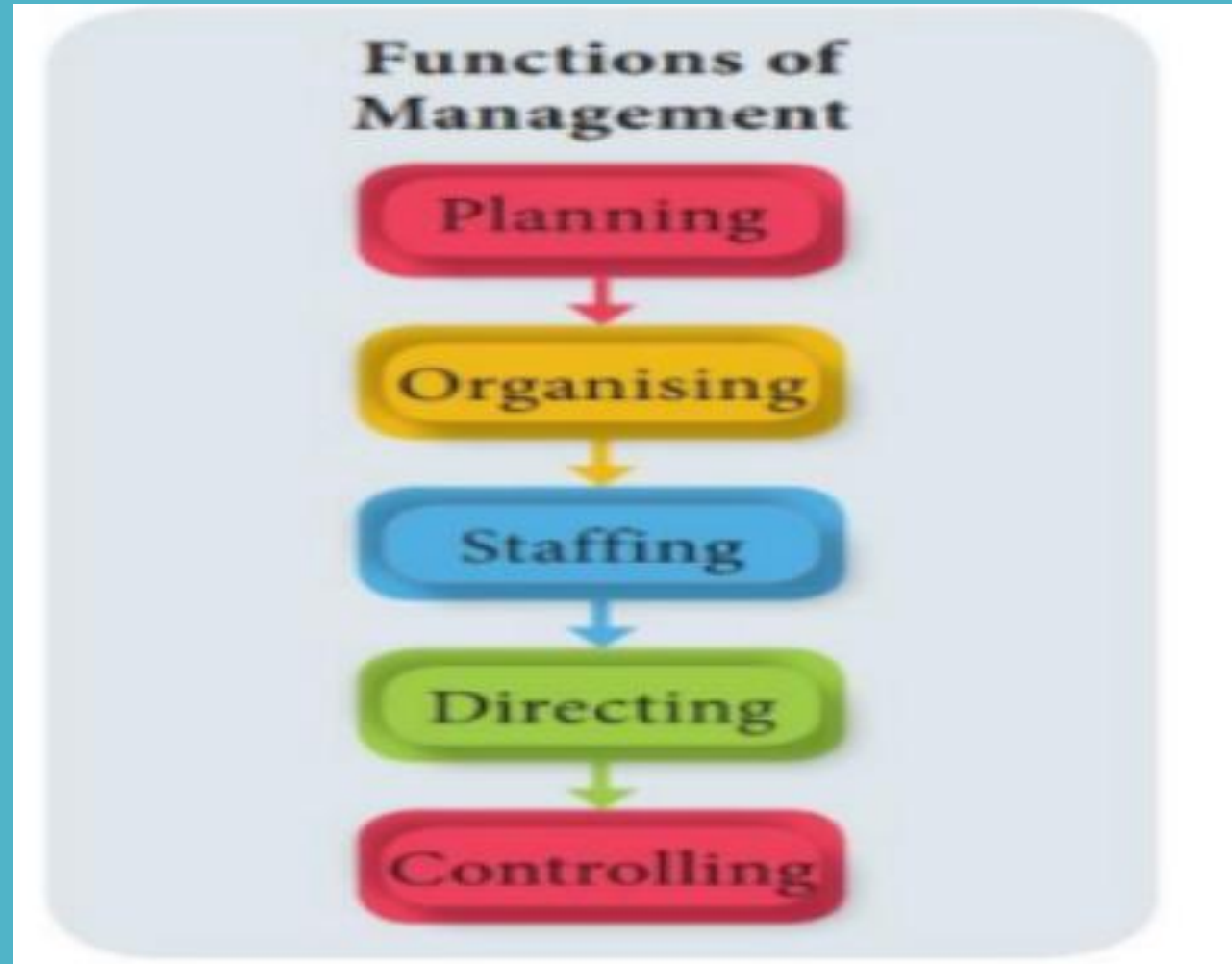
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Characteristics of Management

6. Management is an Intangible Force It cannot be seen or touched only it can be felt in the way the organisation functions.

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Functions of Management



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Functions of Management

1. Planning: Planning is a process of setting goals and objectives and formulating a strategy and an action plan to achieve it. It bridges the gap between our current position and desired position. This is the basic function of an organization and is the first step of management.

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Functions of Management

2. Organizing: Organizing is the process of establishing authority and responsibility relationships. It involves assigning tasks to individuals and allocating resources for the same.

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3. Staffing: Staffing is a process of placing the right person on the right job at the right time. It includes recruitment, selection, placement, induction and training of employees. It can be called as the Human Resource function of the organization.

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Functions of Management

4. **Directing:** Directing refers to the process of leading, influencing and motivating the individuals working in the organization to complete the assigned task effectively and efficiently. The employees need to be constantly motivated to perform better. Leadership and motivation are the key components of directing as a function. It tends to bring out the best in an employee.

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Functions of Management

5. Controlling: Controlling is the process of keeping a check on the performance of the organization and comparing it with the standards set. Also, corrective actions are taken, in case any deviation is found between the actual and desired results.

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Importance of Management



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Importance of Management

The importance of management can be understood from the following points:

1. Management helps in achieving group goals: Management creates teams and coordinates with individuals to achieve individual goals along with organizational goals.

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Importance of Management

2. Increases efficiency: Management increases efficiency by using resources in the best possible manner to reduce cost and increase productivity.

3. Creates dynamic organization: Management helps the employees overcome their resistance to change and adapt as per changing situation to ensure its survival, growth and its competitive edge.

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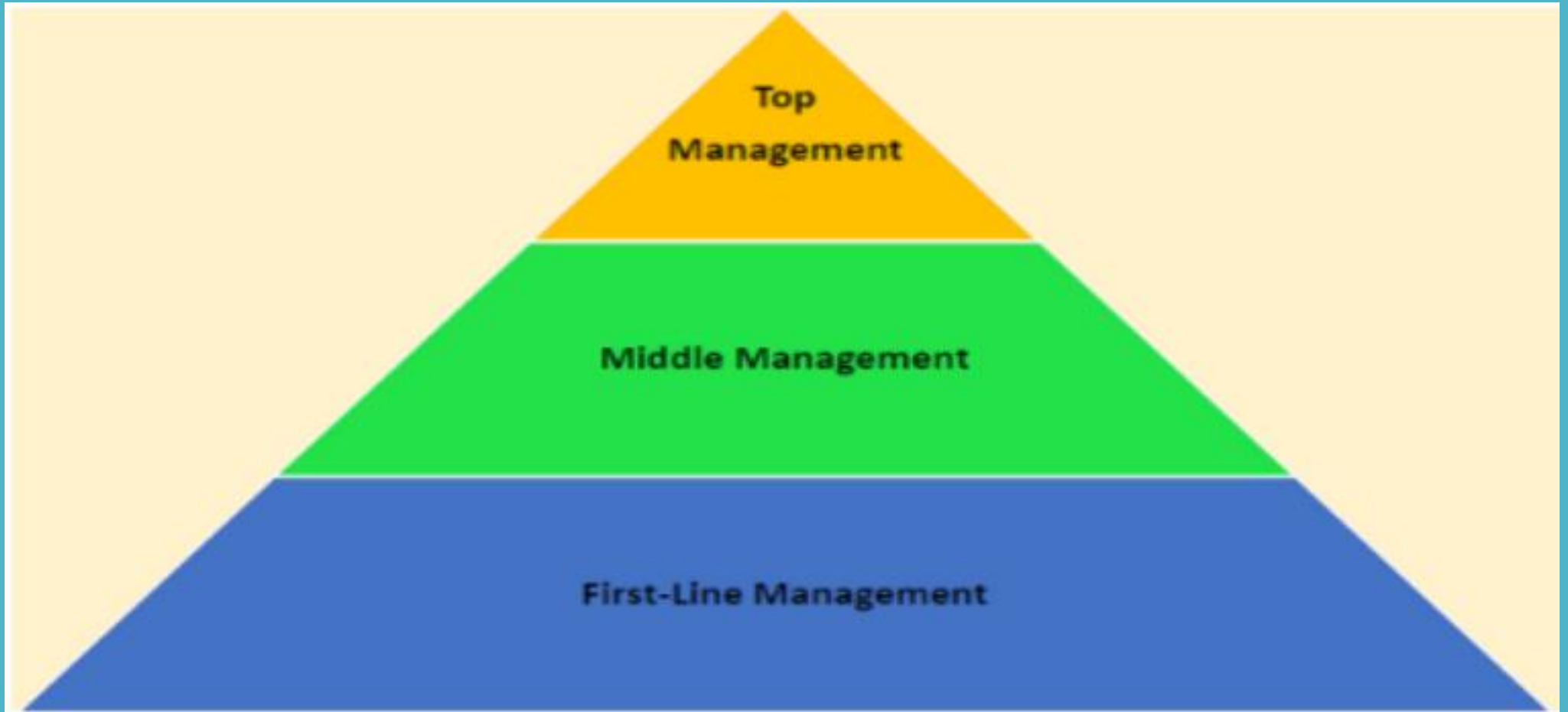
Importance of Management

4. Achieving personal objectives: Through motivation and leadership management helps the individuals in achieving personal goals while working towards organizational objective.

5. Development of society: Management helps in the development of society by producing good quality products, creating employment opportunities and adopting new technologies.

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Levels of Management



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Levels of Management

1. Top Management: Designations and Functions Comprises of CEO, Board of Directors, MD, GM, VP. Main task is conceptualizing of organizational goal, policy and strategy formulation and organising, controlling, and monitoring activities and resources. Controlling the work performance of individuals and approving Budgets.

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Levels of Management

2. Middle Management: Designations and Functions
Comprises of Departmental, Sub-

Departmental and Divisional heads, its main task is execution of plans, policies framed by the top-level management and preparing organisational set up & appointing employees and issuing instructions and motivating employees. Ensuring interdepartmental cooperation as well.

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Levels of Management

3. First-line Management: Designations and Functions
Consists of Foremen and supervisor etc.

Main task is to ensure actual implementation of the policies as per directions of top and

middle level managers and also to Bring workers' grievances before the management &

maintain discipline among the workers.

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Co-ordination



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Co-ordination

The Essence of Management Co-ordination means binding together all the activities such as purchase, production, sales finance to ensure continuity in the working of the organisation. It is considered as a separate function of management, in order to achieve harmony among individual efforts towards the accomplishment of goods.

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Characteristics of Co-ordination

1. It integrates group efforts.
2. It ensures units of action.
3. It is a continuous process.
4. It is an all pervasive function.
5. It is the responsibility of all managers.

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Features of Co-ordination

1. **Coordination Integrates Group Effort:** It is an orderly arrangement of group effort to ensure that performance is at par with the plans and schedules.
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Features of Co-ordination

3. Coordination is a Continuous Process: It is a never-ending process as its needs are felt at all levels and in all activities in the organisations. It begins at the planning stage and continues until controlling.

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Co-ordination is the responsibility of all managers



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Co-ordination is the responsibility of all managers

Coordination is equally important at all levels of management. It is the responsibility of all the individuals in an organization to carry out their work in a responsible manner and coordinate with each other to achieve organizational goals.

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Co-ordination is the responsibility of all managers

- 1. Coordination is a deliberate function: A manager has to coordinate the efforts of different people in a conscious and deliberate manner.**
- 2. Coordination is all pervasive function: It is needed in all departments and at all levels. Lack of coordination can lead to overlapping of activities.**

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Importance of Coordination



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Importance of Coordination

1. Growth in Size: Coordination harmonizes individual goals with the organizational goals. This results in the growth of the organization which results in an increase in the number of people employed with it.

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Importance of Coordination

2. Functional Differentiation: The various departments of the organization have their own objectives, policies and their own style of working. But to achieve organizational objective coordination is important so as to link the activities of all departments.

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Importance of Coordination

3. Specialization: Coordination integrates all the specialists activities into a collective effort.

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