

BASIS OF MANAGEMENT.* Introduction:

Management is an important element in every organisation. It is the element that coordinates present organisational activities and plans for the future.

* Definition of management:

Management is a process consisting of planning, organising, actuating, controlling accomplished by the use of people and resources.

Eg:- MD, CEO, General Manager, CEO,

* Definition for administration:

Administration is the direction, coordination and control of many persons to achieve some objectives related to the growth of the organisation.

Eg:- Owners, Board of members

* Henry Fayol's 14 Principles of management:

1) Division of work: Work should be divided among employees and groups to ensure best way to use the human resource of the organisation to achieve the required target @ task.

2) Authority: Authority is the right and the power to give orders to the subordinates.

- 3) Discipline: A successful organisation requires discipline efforts of workers. Penalties should be applied to encourage this common effort.
- 4) Unity of command: Employees should receive orders from only one manager.
- 5) Unity of direction: The entire organisation should move towards a common objective in a common direction.
- 6) Subordination of Individual: The interest of one person (obedient to company) should not take priority over the interest of organisation.
- 7) Remuneration (Salary): It involves many variables such as ~~the~~ qualified personal, skilled personal, cost of living, success of the business, and determining employees pay scale.
- 8) Centralisation: Centralisation is defined as lowering the importance of the subordinate rows.
- 9) Scalar chain: Scalar chain means it is like authority scale. The president ~~possess~~ possesses highest authority, like supervisor the least authority.
- 10) Order: For the sake of efficiency and higher production all materials & people should be treated as equally as possible.

- 1) Equity: All employees should be treated as equally as possible.
- 2) Stability of personal: Retaining productive employees should always have higher priority of management, to avoid ~~highly~~ hiring new workers @ employees.
- 3) Initiative: Management should take steps to encourage workers initiative.
- 4) Esprit De Corps: Management should encourage general good feelings among the employees.

* Functions of management:

- 1) Main objective and policy of management is to implement policies to execute pre determined function.
- 2) It is influenced mainly by administrative functions.
- 3) It requires more technical ability to influence administrative function.
- 4) It involves directing, motivating, coordinating and controlling.
- 5) It involves mainly ~~middle~~ middle level functions.
- 6) Management level consists of middle management executives like CEO, MD, GM, Managers.

* Functions of Administration:

- 1) Administrative positions are usually in the form of board of directors @ owners.
- 2) Administration provides a sketch of organisation.
- 3) It is mainly involves top level functions like planning, organising,

Staffing.

- 4) Administration requires more administration ability than technical ability.
- 5) Administration mainly influence by public opinion and other outside force.

* Organisation:

An organisation is a collection of people working together in a coordinated structure to achieve one or more goals.

* Types of organisation:

Organisation is divided into two types namely

- i) Line organisation.
- ii) Functional organisation.

* Line Organisation:

It is the simple and oldest type of organisation so it is also called military organisation. Under this type of organisation authority flows from the top to bottom management so it is called as line organisation.

* Functional Organisation:

In functional organisation authority is given to a specialist to give orders & instructions in relation to specific function of the organisation. In functional organisation higher authority has right & power to give command throughout the organisation.

* Advantages of line organisation:

- * It consists of direct vertical relationships so that authority flows from top level to bottom level.
- * Departmental heads are given full freedom to control their department.
- * A senior member has direct command over his subordinate.
- * Operation of this system is very easy.
- * The superior takes decisions within his authority.

* Disadvantages of line organisation:

- * Incharge person finds difficulties to monitor all the industrial activities.
- * In line organisation authorised person does not have required training and enough technical knowledge.
- * There is higher work load upon the line managers with complex production activities and decision making.

* Advantages of the functional organisation:

- Work is divided according to specified function.
- Application of technical expert knowledge there by reducing the work load.
- Adequate supervision causes higher production efficiency.

- Relief ~~the~~ to the line executives, flexibility.
- mass production and economy,

* Disadvantages of function organisation:

- Very poor administration, ineffective coordination.
- Because of centralised authority causes complex relationships, lack of responsibility.
- Causes over specialization and ~~the~~ increases over head expenses.

* Line Staff Organisation:

In this type of organisation line officers have authority to take decisions and implement them to achieve the objectives of the organisation. Line officers may be assisted by the managers while formulating the policies and plans ~~and~~ and taking decisions.

* Functions of management planning:

It is process of deciding the business objectives and charting out the ~~best~~ plan and methods for achieving the same. This includes determination of what is to be done, how and where it is done, who will do it and how results are to be evaluated. This function expected to be carried out through out the organisation and it should be performed by the manager at all the levels.

* Leadership:

Q. Who is leader?

A. A person who influences a group of people towards the achievement of goal.

Q. What is leadership?

A. Leadership is a process by which a person influences others to accomplish the object and directs the organisation in a way that makes it more cohesive and coherent.

* Types of leadership:

Leadership is divided into 2 types namely.

1) Procured leadership.

2) ~~Procured~~ Trait leadership.

* Procured leadership:

Leaders carry out this process by applying their knowledge and skills, this type of leadership is called procured leadership.

* Trait leadership:

A leader carry out the leadership by his trait, actions which influences group of peoples.

* Quality of good leader:

Following are the top leadership qualities

- 1) Honesty: A good leader must have well controlled emotions, absence of out burst, more integrity will be more appreciable by the followers.
- 2) Integrity: A person of integrity is the same on the outside and inside, such leaders can be trusted because of their inner values.
- 3) Dedication: A good leader spending whatever time, energy is necessary to complete the required load.
- 4) Magnanimity: A good leader takes personal responsibility for success @ failure i.e., to spread the fame, and ~~to~~ take the blame is an effective leadership quality.
- 5) Open mind: It means ~~to~~ being able to listen new ideas as well as to accept new ways of doing things so that openness builds mutual respect and trust between leaders and followers.
- 6) Creativity: It is the ability of a leader to think differently.

7) motivation:

The process that account for individuals intensity, direction and persistence of effort towards attaining a goal.

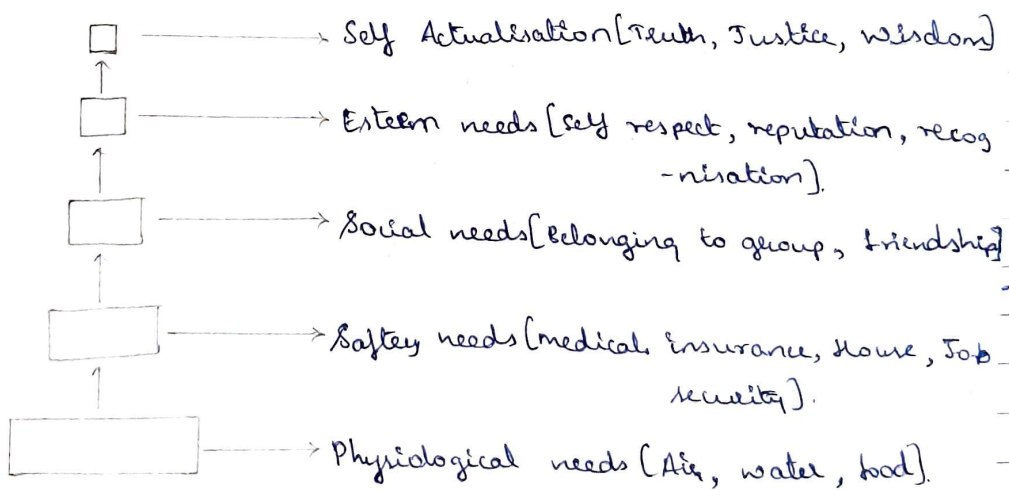
8) Intensity:

Intensity means how hard a person tries to reach the goal.

9) Direction: Towards beneficial goal

10) Persistence: How long a person tries to reach the goal.

* Maslow's theory of motivation:



Maslow's theory is that human beings are motivated by unsatisfied needs and certain lower needs to be satisfied before higher needs. According to Maslow there are general types of needs that must be satisfied before a person can act unselfishly. He called these needs as deficiency needs. Maslow's need hierarchy as shown in the diagram & they have explained as below.

1) Physiological needs: Physiological needs are those required to sustain life such as air, water, food.

2) Safety needs: Once physiological needs are met once attention turns to safety and security such needs might be fulfilled by medical insurance, living house, job security and others.

3) Social needs: Once a person has reached the lower level physiological and safety needs, higher level needs arises i.e., interaction with others and maybe include belonging to a group, friendship and others.

4) Esteem needs: Once a person feels a sense of social belonging then esteem needs may be awoken which includes self respect, recognition, reputation, achievement and social status.

5) Self Actualisation: It is the stage of reaching one full potential as a person and self actualised people tends to have needs such as truth, justice, wisdom and others.

* Herzberg two factor theory of motivation:

Herzberg two factor theory is also known as dual factor theory states that there are certain factors in the work place that cause job satisfaction while a separate set of factors cause dissatisfaction. That means do they want higher salary, they want job security, good relationships with co-workers, opportunities for growth and advancement or something else all together. The study was conducted by means of systematic research of a representative sample. The purpose of study is to develop the productivity of workers and organisations. The two factor theory is one of the best and most widely accepted job enrichment approaches today.

