MANAGEMENT CONCEPTS and FUNDAMENTALS

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WHAT IS MANAGEMENT?

1. Field of Study
   - Management principles, techniques, functions, etc
   - Profession

2. Team or Class of people
   - Individual who performs managerial activities or may be a group of persons

3. Process
   - Managerial activities
   - planning, organising, staffing, directing, controlling.
WHAT IS MANAGEMENT?

DEFINITION:

- F.W. Taylor - “Art of knowing what you want to do and then seeing that it is done the best and cheepest way”.

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

- Peter F. Drucker – ”Management is work and as such it has its own skills, its own tools and its own techniques”.

- “Management is the art of getting things done through and with people”.
CHARACTERISTICS OF MANAGEMENT

1) Is a Process /a function.
2) Is a Social Process.
3) Involves Group Effort.
4) Aims at achieving predetermined objectives.
5) Required at all levels of management
6) Is a Profession
7) Is comprised of following functions:
   • Planning
   • Organising
   • Directing
   • Controlling
   • Co-ordination
8) Is an art and science.
FUNCTIONS OF MANAGEMENT

Planning

• Look ahead and chart out future course of operation

• Formulation of Objectives, Policies, Procedure, Rules, Programmes and Budgets

Organising

• Bringing people together and tying them together in the pursuit of common objectives.

• Enumeration of activities, classification of activities, fitting individuals into functions, assignment of authority for action.
FUNCTIONS OF MANAGEMENT

Directing

• Act of guiding, overseeing and leading people.
• Motivation, leadership, decision making.

Controlling

• Laying standards, comparing actuals and correcting deviation-achieve objectives according to plans.

Co-ordination

• Synchronizing and unifying the actions of a group of people.
MANAGEMENT IS AN ART AND SCIENCE

Art

- Practical know how
- Technical skills
- Concrete results
- Creativity
- Personalised nature

Science

- Empirically Derived
- Critically tested
- General principles
- Cause and effect relationship
- Universal applicability

MANAGEMENT AS A SCIENCE PROVIDES PRINCIPLES AND AS AN ART HELPS IN TACKLING SITUATIONS.
# MANAGEMENT AND ADMINISTRATION

## I. Different

<table>
<thead>
<tr>
<th>Oliver Sheldon</th>
<th>Administration</th>
<th>Management</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Function of industry concerned -with determination of corporate policy -co-ordination of finance, production and distribution -under the control of the executive.</td>
<td>Function of industry concerned -in the execution of policy -within the limits setup by administration.</td>
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<tr>
<td>Florence &amp; Tead</td>
<td>Administration</td>
<td>Management</td>
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<tr>
<td>Spriegal &amp; Lansburg</td>
<td>A process of thinking more at higher levels</td>
<td>A process of actual operation.</td>
</tr>
<tr>
<td></td>
<td>More at higher levels</td>
<td>Less at higher levels</td>
</tr>
<tr>
<td></td>
<td>Less at lower levels</td>
<td>More at lower levels</td>
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</table>
II. Management Includes Administration.

Brech - Management is an all inclusive function.
Top Management: Formulation of policy, co-ordination, motivation of personnel.
Middle Management: Formulation of policies to a lesser extent, co-ordination, motivation and planning control.
Lower Management: Supervision and control of day to day activities including administrative procedures.
MANAGEMENT AND ADMINISTRATION

III. No Distinction

Fayol - cannot distinguish which activities belong to Management and which to administration.

Administration - Higher executive functions in government public utility etc.

Management – Used for the same function in the business sector.
**MANAGEMENT AND ADMINISTRATION**

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<td>Owners receive dividend</td>
<td>Employees receive profit salary or share in the profit of the concern</td>
</tr>
<tr>
<td>Aim: Determine the objectives and policies of a business enterprise.</td>
<td>Executing the objectives determined by administration.</td>
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WHAT A MANAGER DOES?

ROLES OF A MANAGER
- Achieve Objectives through and with people
- Identity and Utilise Resources – Optimum

Plan, Analyse, Interpret, Collobrate, educate, Problem solver, Communicator, build team, Change agent, Chief executive.

Interpersonal roles
- Figurehead
- Leader
- Liaison

Information roles
- Monitoring
- Disseminator
- Spokesman

Decisional roles
- Entrepreneur
- Disturbance handler
- Resource allocator
- Negotiator
TIME SPENT IN CARRYING OUT MANAGERIAL FUNCTIONS

Top Level Managers

Middle Level Managers

First Level Supervisors

Planning
Organizing
Leading
Controlling
Systems Approach to Management

EXTERNAL ENVIRONMENT

INPUTS
Human, Capital, Managerial, Technological, Goals

Planning
Organising
Staffing
Leading
Controlling

OUTPUTS
Products, Services, Satisfaction, Goal integration, Profits, etc.

External environment
-opportunities
-threat

COMMUNICATION