

⇒ Management

In order to satisfy his/her wants, a person has to perform numerous activities. A person alone can't perform all the necessary activities. That's why human beings join or co-operate together in the form of groups and organisations. Every organisation for ex - a family, an institution, an army, a govt, a religious trust is basically a group of people seeking to achieve some common objective/goals. A central organ or agency is required to co-ordinate the activities and efforts of various individuals working together in a organisation so that they can work collectively as a team or unit, such as organ as known as management.

⇒ Definition of management

It is very difficult to define management. In fact no definition of management has been universally accepted. One popular definition is given by Mary Parker Follett. According to her, management is the art of getting things done through other people.

A somewhat more elaborate

Definition of management is given by George R. Terry. He defines management as a process consisting of planning, Organising, actuating and controlling performance to determine and accomplish the objectives by the use of people and resources.

According to Koontz and O. Donnell management is the creation and maintenance of an internal environment in an enterprise where individuals working in groups can perform efficiently and effectively towards the attainment of group goals.

Nature of Management.

- (i) Management is universal
⇒ Management is require in every form of group activity whether it is a family an army, a government, an institution or a business enterprise
- (ii) Management is purposeful
⇒ Management exist for the achievement of specific goals or objectives. The success of management is measured by the extent to which the desired objectives are achieved.

(iii) Management is a unifying force:

⇒ The essence of management lies in the co-ordination of individuals efforts into a team. As a unifying force management creates a whole that is more than the sum of individuals parts.

(iv) Management is a social process

Management is done by people, through people and for people. It is a social process because it is concerned with interpersonal relations. According to Appley-management is the development of people not the direction of things.

(v) Management is multidisciplinary

⇒ Management has to deal with human behaviour under dynamic conditions. Therefore, it depends upon wide knowledge derived from several disciplines like engineering, sociology, psychology, economics, mathematics, etc.

(vi) Management is a continuous process

⇒ Management is a dynamic and ongoing process. The cycle of management continues to operate so long as there is

organised action for the achievement of group goals.

(vii) Management is intangible

⇒ Management is an unseen and invisible force. It can't 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.

(viii) Management is situational

⇒ Efficient management is always situational or contingency management because there is not one best way of doing things.

(ix) Management is an art as well as science.

⇒ Management contains a systematic body of theoretical knowledge as well as the practical application of such knowledge.

Scope of Management

⇒ The scope of management is very wide. The various functional areas of management may be classified into the following categories

(1) Production Management

Production or operations management is the management of production function so as to produce the right goods, in right quantity at the right time, and at the right cost.

- (a) Designing the product.
- (b) Location and layout of plant & buildings.
- (c) Operation of purchase & storage of materials.
- (d) Planning and control of factory operations.
- (e) Repairs and maintenance.
- (f) Inventory control and quality control, and
- (g) Research and development etc.

(2) Marketing Management

Marketing management refers to the identification of consumer's needs and supplying them the goods and services which can satisfy those wants. It involves the following activities.

- (a) Marketing research to determine the needs and expectations of consumers.

- (b) Planning and developing suitable products
- (c) Setting appropriate prices.
- (d) Selecting the right channels of distribution.
- (e) Promotional activities like advertising and Salesmanship to communicate with the customers.

3. Financial Management.

Financial management seeks to ensure to the right amount and type of funds to business at the right time at reasonable cost.

- (a) Estimating the volume of funds required for both long-term and short-term needs of business.
- (b) Selecting the appropriate source of funds.
- (c) Raising the required funds at the right time.
- (d) Ensuring proper utilisation and allocation of raised funds so as to maintain safety and liquidity of funds and the creditworthiness and profitability of business.
- (e) Administration of earnings.

4 Personnel Management

Personnel management involves planning, organising, directing and controlling the procurement, development, compensation, maintenance, etc.

- (a) Manpower planning
- (b) Recruitment
- (c) Selection
- (d) Training and development
- (e) Appraisal
- (f) Compensation and promotion.
- (g) Employee services and benefits.
- (h) Personnel records and research etc.