

PRINCIPLES AND PRACTICES OF MANAGEMENT

(MBA I SEM)

AS PER SYLLABUS OF RTU, KOTA

NAVLEEN KAUR

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Preface

I am glad to present this book, especially designed to serve the needs of the students. The book has been written keeping in mind the general weakness in understanding the fundamental concepts of the topics. The book is self-explanatory and adopts the “Teach Yourself” style. It is based on question-answer pattern. The language of book is quite easy and understandable based on scientific approach.

This book covers basic concepts related to the microbial understandings about diversity, structure, economic aspects, bacterial and viral reproduction etc.

Any further improvement in the contents of the book by making corrections, omission and inclusion is keen to be achieved based on suggestions from the readers for which the author shall be obliged.

I acknowledge special thanks to Mr. Rajeev Biyani, *Chairman* & Dr. Sanjay Biyani, *Director (Acad.)* Biyani Group of Colleges, who are the backbones and main concept provider and also have been constant source of motivation throughout this Endeavour. They played an active role in coordinating the various stages of this Endeavour and spearheaded the publishing work.

I look forward to receiving valuable suggestions from professors of various educational institutions, other faculty members and students for improvement of the quality of the book. The reader may feel free to send in their comments and suggestions to the under mentioned address.

Author

Principles & Practices of Management

M-101

SYLLABUS

Objective:

The objective of this paper is to familiarize the student with basic management concepts and behavioral processes in the organization. The course will be an introduction to the way in which a firm can develop its managerial thinking, mission and strategy.

SECTION 'A'

Unit No.	Particular
1	Management an Overview, Management Defined, Functions of Management, Managerial Roles and responsibilities, System and Contingency Approach for understanding organizations, Management Thought-Classical Perspective, Scientific Management, Administrative Management, Bureaucratic Management, Behavioral Perspective. Managerial processes, functions, skills and rules in an organization, social responsibilities of Business.
2	Fundamentals of Planning - Objectives, Strategies, Policies, Decision making.
3	Fundamentals of Organizing- Nature and purpose, departmentation, Span of Management, Strategic organizing design, line and staff authority and decentralization.
4	Direction-concept, Leadership- Meaning and Importance, transitions in leadership theories, trait theories, behavioral theories, contingency theories, leadership styles and skills, managerial culture and leadership. Coordination.

5	Control- concept, nature and purpose, control technique, control of overall performance, span of control.
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SECTION-‘B’

Case Study

Principles & Practices of Management

MATERIAL IN THE FORM OF QUESTIONS & ANSWERS

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UNIT – 1

Q.1. Define Management and describe its essential characteristics or nature.

Ans. According to *Harold Koontz*, “Management is an art of getting things done through and with the people in formally organized groups. It is an art of creating an environment in which people can perform and individuals and can co-operate towards attainment of group goals”. According to *F.W. Taylor*, “Management is an art of knowing what to do, when to do and see that it is done in the best and cheapest way”.

Management is a purposive activity. It is something that directs group efforts towards the attainment of certain pre – determined goals. It is the process of working with and through others to effectively achieve the goals of the organization, by efficiently using limited resources in the changing world. Of course, these goals may vary from one enterprise to another. E.g.: For one enterprise it may be launching of new products by conducting market surveys and for other it may be profit maximization by minimizing cost.

Management involves creating an internal environment: - It is the management which puts into use the various factors of production. Therefore, it is the responsibility of management to create such conditions which are conducive to maximum efforts so that people are able to perform their task efficiently and effectively. It includes ensuring availability of raw materials, determination of wages and salaries, formulation of rules & regulations etc.

Therefore, we can say that good management includes both being effective and efficient. Being effective means doing the appropriate task i.e, fitting the square pegs in square holes and round pegs in round holes. Being efficient means doing the task correctly, at least possible cost with minimum wastage of resources.

Characteristics or Nature of management can be highlighted as: -

Management is Goal-Oriented: The success of any management activity is accessed by its achievement of the predetermined goals or objective. Management is a purposeful activity. It is a tool which helps use of human & physical resources to fulfill the pre-determined goals. For example, the goal of an enterprise is maximum consumer satisfaction by producing quality goods and at reasonable

prices. This can be achieved by employing efficient persons and making better use of scarce resources.

Management integrates Human, Physical and Financial Resources: In an organization, human beings work with non-human resources like machines.

Materials, financial assets, buildings etc. Management integrates human efforts to those resources. It brings harmony among the human, physical and financial resources.

Management is Continuous: Management is an ongoing process. It involves continuous handling of problems and issues. It is concerned with identifying the problem and taking appropriate steps to solve it. For achieving this target various policies have to be framed but this is not the end. Marketing and Advertising is also to be done. For this policies have to be again framed. Hence this is an ongoing process.

Management is all Pervasive: Management is required in all types of organizations whether it is political, social, cultural or business because it helps and directs various efforts towards a definite purpose. Thus clubs, hospitals, political parties, colleges, hospitals, business firms all require management. When ever more than one person is engaged in working for a common goal, management is necessary. Whether it is a small business firm which may be engaged in trading or a large firm like Tata Iron & Steel, management is required everywhere irrespective of size or type of activity.

Management is a Group Activity: Management is very much less concerned with individual's efforts. It is more concerned with groups. It involves the use of group effort to achieve predetermined goal of management of ABC & Co. is good refers to a group of persons managing the enterprise

Organized Activities: Management is a process of organized activities. Groups of people cannot be involved in the performance of activities without organized activities. Management comes into existence where a group of people are involved in achieving a common objective. The organized activities may take a variety of forms ranging from a tightly structured organization to a loosely-knit organization.

Existence of Objectives: The existence of objectives is a basic criterion of every human organization. The organizational objectives are the desired state of affairs

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which an organization attempts to realize. This realization of objectives is sought through the coordinated efforts of the people constituting an organization.

Decision-making: Management process involves decision making at all levels. Decision-making describes the process by which a course of action is selected as the way to deal with a specific problem. If there is only one alternative, the question of decision making does not arise. The quality of alternatives which a manager selects determines the organization's performance, and the future of the organization.

Relationship among resources: The essence of management is integration of various organizational resources. Resources include money, machine, materials, and people. Management is concerned with the proper utilization of human resources which, in turn, utilize other resources.

Working with and through people: Management involves working with people and getting organizational objectives achieved through them. Working through people is interpreted in terms of assigning activities to subordinates.

Multidisciplinary: Management is multidisciplinary because it includes knowledge/information from various disciplines- economics, statistics, maths, psychology, sociology, ecology, operations research, history, etc. Management integrates the ideas and concepts taken from these disciplines and presents newer concepts which can be put into practice for managing the organizations.

Management is dynamic: Management has framed certain principles, which are flexible in nature and change with the changes in the environment in which an organization exists.

Relative, Not Absolute Principles: Management principles are relative, not absolute, and they should be applied according to the need of the organization. A particular management principle has different strengths in different conditions. Therefore, principles should be applied according to the prevailing conditions.

Management: Science or Art: Management likes other practices- whether medicine, music composition, or even accountancy- is an art. It is know-how. Yet managers can work better by using the organized knowledge about management.

It is this knowledge that constitutes science. Thus, managing as practice is an art; the organized knowledge underlying the practice may be referred to as science.

Management as Profession: Management has been regarded as a profession by many while many have suggested that it has not achieved the status of a profession. Schein concluded that by some criteria management is indeed a profession, but by other criteria it is not. Today we can see many signs that management is working towards increased professionalism.

Management is Universal: Management is a universal phenomenon. However, management principles are not universally applicable but are to be modified according to the needs of the situation.

Q.2. Explain Management as a Science and as an Art and as a both

Ans. Management as a Science

Science is a systematic body of knowledge pertaining to a specific field of study that contains general facts which explains a phenomenon. It establishes cause and effect relationship between two or more variables and underlines the principles governing their relationship. These principles are developed through scientific method of observation and verification through testing.

Science is characterized by following main features:

1. **Universally acceptance principles** – Scientific principles represents basic truth about a particular field of enquiry. These principles may be applied in all situations, at all time & at all places. E.g. – law of gravitation which can be applied in all countries irrespective of the time.

Management also contains some fundamental principles which can be applied universally like the Principle of Unity of Command i.e. one man, one boss. This principle is applicable to all type of organization – business or non business.

2. **Experimentation & Observation** – Scientific principles are derived through scientific investigation & researching i.e. they are based on logic. E.g. the principle that earth goes round the sun has been scientifically proved. Management principles are also based on scientific enquiry & observation and not only on the opinion of Henry Fayol. They have been developed through experiments & practical experiences of large no. of managers. E.g. it is observed that fair remuneration to personal helps in creating a satisfied work force.

3. **Cause & Effect Relationship** – Principles of science lay down cause and effect relationship between various variables. E.g. when metals are heated, they are expanded. The cause is heating & result is expansion.

The same is true for management; therefore it also establishes cause and effect relationship. E.g. lack of parity (balance) between authority & responsibility will lead to ineffectiveness. If you know the cause i.e. lack of balance, the effect can be ascertained easily i.e. in effectiveness. Similarly if workers are given bonuses, fair wages they will work hard but when not treated in fair and just manner, reduces productivity of organization.

4. **Test of Validity & Predictability** – Validity of scientific principles can be tested at any time or any number of times i.e. they stand the test of time. Each time these tests will give same result. Moreover future events can be predicted with reasonable accuracy by using scientific principles. E.g. H_2 & O_2 will always give H_2O . Principles of management can also be tested for validity. E.g. principle of unity of command can be tested by comparing two persons – one having single boss and one having 2 bosses. The performance of 1st person will be better than 2nd.

It cannot be denied that management has a systematic body of knowledge but it is not as exact as that of other physical sciences like biology, physics, and chemistry etc. The main reason for the inexactness of science of management is that it deals with human beings and it is very difficult to predict their behavior accurately. Since it is a social process, therefore it falls in the area of social sciences. It is a flexible science & that is why its theories and principles may produce different results at different times and therefore it is a behavior science. Ernest Dale has called it as a *Soft Science*.

Management as an Art

Art implies application of knowledge & skill to trying about desired results. An art may be defined as personalized application of general theoretical principles for achieving best possible results. Art has the following characters –

Practical Knowledge: Every art requires practical knowledge therefore learning of theory is not sufficient. It is very important to know practical application of theoretical principles. E.g. to become a good painter, the person may not only be knowing different colour and brushes but different designs, dimensions, situations

etc to use them appropriately. A manager can never be successful just by obtaining degree or diploma in management; he must have also known how to apply various principles in real situations by functioning in capacity of manager.

Personal Skill: Although theoretical base may be same for every artist, but each one has his own style and approach towards his job. That is why the level of success and quality of performance differs from one person to another. E.g. there are several qualified painters but M.F. Hussain is recognized for his style. Similarly management as an art is also personalized. Every manager has his own way of managing things based on his knowledge, experience and personality, that is why some managers are known as good managers (like Aditya Birla, Rahul Bajaj) whereas others as bad.

Creativity: Every artist has an element of creativity in line. That is why he aims at producing something that has never existed before which requires combination of intelligence & imagination. Management is also creative in nature like any other art. It combines human and non-human resources in useful way so as to achieve desired results. It tries to produce sweet music by combining chords in an efficient manner.

Perfection through practice: Practice makes a man perfect. Every artist becomes more and more proficient through constant practice. Similarly managers learn through an art of trial and error initially but application of management principles over the years makes them perfect in the job of managing.

Goal-Oriented: Every art is result oriented as it seeks to achieve concrete results. In the same manner, management is also directed towards accomplishment of pre-determined goals. Managers use various resources like men, money, material, machinery & methods to promote growth of an organization.

Thus, we can say that management is an art therefore it requires application of certain principles rather it is an art of highest order because it deals with moulding the attitude and behavior of people at work towards desired goals.

Management as both Science and Art

Management is both an art and a science. The above mentioned points clearly reveal that management combines features of both science as well as art. It is considered as a science because it has an organized body of knowledge which contains certain universal truth. It is called an art because managing requires

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certain skills which are personal possessions of managers. Science provides the knowledge & art deals with the application of knowledge and skills.

A manager to be successful in his profession must acquire the knowledge of science & the art of applying it. Therefore management is a judicious blend of science as well as an art because it proves the principles and the way these principles are applied is a matter of art. Science teaches to 'know' and art teaches to 'do'. E.g. a person cannot become a good singer unless he has knowledge about various ragas & he also applies his personal skill in the art of singing. Same way it is not sufficient for manager to first know the principles but he must also apply them in solving various managerial problems that is why, science and art are not mutually exclusive but they are complementary to each other (like tea and biscuit, bread and butter etc.). The old saying that "Manager are Born" has been rejected in favor of "Managers are Made". It has been aptly remarked that management is the oldest of art and youngest of science. To conclude, we can say that science is the root and art is the fruit.

Q.3. Explain the various Concepts of Management.

Ans. Meaning of Concept

Concept is the idea or image or understanding about things, activity or a person that emerges in the mind of a person. There are several different concepts about management.

Economists have treated management as a factor of production; sociologists have treated it as a class or group of persons; practitioners have treated it as a process comprising different activities.

There are three basic concepts of Management

Management as a Discipline

Discipline refers to a field of study having well-defined concepts and principles. When we refer to management as a discipline, we include in it the various relevant concepts and principles, the knowledge of which aids in managing

Management as a Group of People

We refer to management as a group of people in which we include all those personnel who perform managerial functions in organizations.

We refer to two distinct classes or groups of personnel in the organization. In the first category, we include all those persons who are responsible for managerial functions and in the second category, we include non-managerial personnel.

Management as a process

In studying management discipline, we generally refer to management as a process. A process can simply be defined as a systematic method of handling activities. However, the management process can be treated as a complex one which can be referred to as an identifiable flow of information through interrelated stages of analysis directed towards the achievement of an objective or set of objectives. It is a concept of dynamic rather than static existence in which events and relationships must be seen as dynamic, continuous, and flexible, and as such, must be considered as a whole. Thus, management as a process includes various activities and sub activities

Q.4. what do you understand by the term ‘Level of Management’? Briefly describe the different levels of management.

Ans. Level of management refers to the categories or layers of managerial positions in an organization. The level of management determines the amount of authority and status of the person occupying the position at that level. **These managerial positions divided into various categories according to their amount of authority and status, they are known as the level of management**

Managerial Hierarchy consists of-

Top Level Management or senior management

Middle Level Management

Lower Level Management such as [supervisors](#) or [team-leaders](#)

Top-level management

- Require an extensive knowledge of management roles and skills.
- They have to be very aware of external factors such as markets.
- Their decisions are generally of a long-term nature
- Their decisions are made using analytic, directive, conceptual and/or behavioral/participative processes
- They are responsible for **strategic** decisions.

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- They have to chalk out the plan and see that plan may be effective in the future.
- They are executive in nature.

These includes board of Directors, CEO's they comprise small groups but are responsible for overall management they formulate plans, decide objectives & communicate to middle level management.

Middle Level of Management

The branch managers and departmental managers constitute middle level. They are responsible to the top management for the functioning of their department. They devote more time to organizational and directional functions. In small organization, there is only one layer of middle level of management but in big enterprises, there may be senior and junior middle level management. Their role can be emphasized as –

- They execute the plans of the organization in accordance with the policies and directives of the top management.
- They make plans for the sub-units of the organization.
- They participate in employment & training of lower level management.
- They interpret and explain policies from top level management to lower level.
- They are responsible for coordinating the activities within the division or department.
- It also sends important reports and other important data to top level management.
- They evaluate performance of junior managers.
- They are also responsible for inspiring lower level managers towards better performance.

Lower Level of Management

Lower level is also known as supervisory / operative level of management. It consists of supervisors, foreman, section officers, superintendent etc. According to *R.C. Davis*, "Supervisory management refers to those executives whose work

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has to be largely with personal oversight and direction of operative employees”.

In other words, they are concerned with direction and controlling function of management. Their activities include –

- Assigning of jobs and tasks to various workers.
- They guide and instruct workers for day to day activities.
- They are responsible for the quality as well as quantity of production.
- They are also entrusted with the responsibility of maintaining good relation in the organization.
- They communicate workers problems, suggestions, and recommendatory appeals etc to the higher level and higher level goals and objectives to the workers. They help to solve the grievances of the workers.
- They supervise & guide the sub-ordinates.
- They are responsible for providing training to the workers.
- They arrange necessary materials, machines, tools etc for getting the things done.
- They prepare periodical reports about the performance of the workers.
- They ensure discipline in the enterprise.
- They motivate workers.
- They are the image builders of the enterprise because they are in direct contact with the workers.

Q.5. Explain main Objectives of Management.

Ans. The main objectives of management are:

1. **Getting Maximum Results with Minimum Efforts** – The main objective of management is to secure maximum outputs with minimum efforts & resources. Management is basically concerned with thinking & utilizing human, material & financial resources in such a manner that would result in best combination. This combination results in reduction of various costs.
2. **Increasing the Efficiency of factors of Production** – Through proper utilization of various factors of production, their efficiency can be increased to a great extent which can be obtained by reducing spoilage, wastages and breakage of all kinds, this in turn leads to saving of time, effort and money which is essential for the growth & prosperity of the enterprise.

3. **Maximum Prosperity for Employer & Employees** – Management ensures smooth and coordinated functioning of the enterprise. This in turn helps in providing maximum benefits to the employee in the shape of good working condition, suitable wage system, incentive plans on the one hand and higher profits to the employer on the other hand.
4. **Human betterment & Social Justice** – Management serves as a tool for the upliftment as well as betterment of the society. Through increased productivity & employment, management ensures better standards of living for the society. It provides justice through its uniform policies.
5. **It helps in Achieving Group Goals** – It arranges the factors of production, assembles and organizes the resources, integrates the resources in effective manner to achieve goals. It directs group efforts towards achievement of pre-determined goals. By defining objective of organization clearly there would be no wastage of time, money and effort. Management converts disorganized resources of men, machines, money etc. into useful enterprise. These resources are coordinated, directed and controlled in such a manner that enterprise work towards attainment of goals.
6. **Optimum Utilization of Resources** – Management utilizes all the physical & human resources productively. This leads to efficacy in management. Management provides maximum utilization of scarce resources by selecting its best possible alternate use in industry from out of various uses. It makes use of experts, professional and these services leads to use of their skills, knowledge, and proper utilization and avoids wastage. If employees and machines are producing its maximum there is no under employment of any resources.
7. **Reduces Costs** – It gets maximum results through minimum input by proper planning and by using minimum input & getting maximum output. Management uses physical, human and financial resources in such a manner which results in best combination. This helps in cost reduction.
8. **Establishes Sound Organization** – No overlapping of efforts (smooth and coordinated functions). To establish sound organizational structure is one of the objective of management which is in tune with objective of organization and for fulfillment of this, it establishes effective authority & responsibility relationship i.e. who is accountable to whom, who can give instructions to whom, who are

superiors & who are subordinates. Management fills up various positions with right persons, having right skills, training and qualification. All jobs should be cleared to everyone.

9. **Establishes Equilibrium** – It enables the organization to survive in changing environment. It keeps in touch with the changing environment. With the change in external environment, the initial co-ordination of organization must be changed. So it adapts organization to changing demand of market / changing needs of societies. It is responsible for growth and survival of organization.
10. **Essentials for Prosperity of Society** – Efficient management leads to better economical production which helps in turn to increase the welfare of people. Good management makes a difficult task easier by avoiding wastage of scarce resource. It improves standard of living. It increases the profit which is beneficial to business and society will get maximum output at minimum cost by creating employment opportunities which generate income in hands. Organization comes with new products and researches beneficial for society.

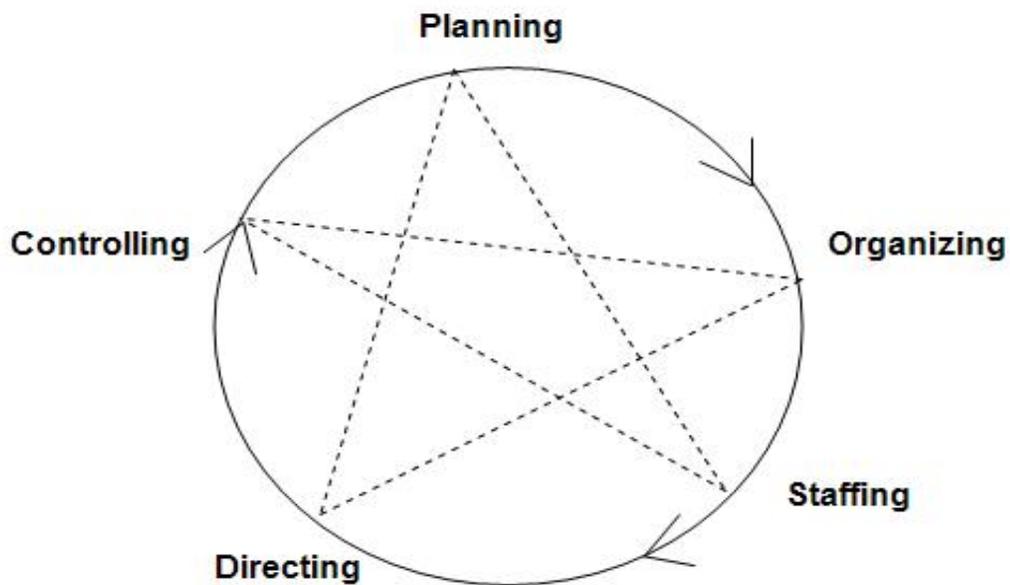
Q.6. Explain the different function of Management

Ans. **Managerial Functions:** Various management scholars studied different organizations at different times; they identified the functions of management in their own ways. Henry Fayol, the father of functional or administrative management remarked: “To manage is to forecast and plan, to organize, to command, to coordinate and to control” Thus, **Fayol classified management functions into five categories as follows:**

- (i) to forecast and plan,
- (ii) to organize,
- (iii) to command or to give orders,
- (iv) to co-ordinate, and
- (v) to control

Luther Gullick offered a list of administrative functions under the catchword “**PODSCORB**”. Each alphabet of this keyword “**PODSCORB**” stands for the following activities: P for Planning, O for Organization, D for Directing, S for Staffing, Co for Coordinating, R for Reporting, and B for Budgeting.

According to Koontz and 'O' Donnell, “The most useful method of classifying managerial activities is to group them around the functions of planning, organizing, staffing, directing, and controlling. “ They think that coordination is not a separate function but is the essence of management. Thus, for the sake of analysis of there management process, we can classify the management functions into the following categories:



1. Planning

It is the basic function of management. It deals with chalking out a future course of action & deciding in advance the most appropriate course of actions for achievement of pre-determined goals. According to KOONTZ, “Planning is deciding in advance – what to do, when to do & how to do. It bridges the gap from where we are & where we want to be”. A plan is a future course of actions. It is an exercise in problem solving & decision making. Planning is determination of courses of action to achieve desired goals. Thus, planning is a systematic thinking about ways & means for accomplishment of pre-determined goals. Planning is necessary to ensure proper utilization of human & non-human resources. It is all pervasive, it is an intellectual activity and it also helps in avoiding confusion, uncertainties, risks, wastages etc.

Budgeting Planning involves the following steps.

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- (i) Determination of objectives;
- (ii) Forecasting;
- (iii) Formulation of policies and programmes;
- (iv) Preparation of schedules

Planning is a process of seeking answer to some of the following particular questions:

- (i) What is to be done?
- (ii) Why it is to be done?
- (iii) How the work will be done?
- (iv) Who will do the work?
- (v) When the work will be done?
- (vi) Where the work will be done?

Planning pervades at all the levels of organization. But the scope of planning is not the same at each level of organization. Higher the level of organization, the broader the scope of planning. Planning may be long term and short term.

2. Organizing

It is the process of bringing together physical, financial and human resources and developing productive relationship amongst them for achievement of organizational goals. According to Henry Fayol, "To organize a business is to provide it with everything useful or its functioning i.e. raw material, tools, capital and personnel's". To organize a business involves determining & providing human and non-human resources to the organizational structure. Organizing as a process involves:

1. Identification of activities.
2. Classification of grouping of activities.
3. Assignment of duties.
4. Delegation of authority and creation of responsibility.
5. Coordinating authority and responsibility relationships.

3. Staffing

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It is the function of manning the organization structure and keeping it manned. Staffing has assumed greater importance in the recent years due to advancement of technology, increase in size of business, complexity of human behavior etc. The main purpose of staffing is to put right man on right job i.e. square pegs in square holes and round pegs in round holes. According to Kootz & O'Donell, "Managerial function of staffing involves manning the organization structure through proper and effective selection; appraisal & development of personnel to fill the roles designed the structure". Staffing involves:

1. Manpower Planning (estimating man power in terms of searching, choose the person and giving the right place).
2. Recruitment, selection & placement.
3. Training & development.
4. Remuneration.
5. Performance appraisal.
6. Promotions & transfer.

4. Directing

It is that part of managerial function which actuates the organizational methods to work efficiently for achievement of organizational purposes. It is considered life-spark of the enterprise which sets it in motion the action of people because planning, organizing and staffing are the mere preparations for doing the work. Direction is that inert-personnel aspect of management which deals directly with influencing, guiding, supervising, motivating sub-ordinate for the achievement of organizational goals. Direction has following elements:

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

Supervision- implies overseeing the work of subordinates by their superiors. It is the act of watching & directing work & workers.

Motivation- means inspiring, stimulating or encouraging the sub-ordinates with zeal to work. Positive, negative, monetary, non-monetary incentives may be used for this purpose.

Leadership- may be defined as a process by which manager guides and influences the work of subordinates in desired direction.

Communications- is the process of passing information, experience, opinion etc from one person to another. It is a bridge of understanding.

5. Controlling

It implies measurement of accomplishment against the standards and correction of deviation if any to ensure achievement of organizational goals. The purpose of controlling is to ensure that everything occurs in conformities with the standards. An efficient system of control helps to predict deviations before they actually occur.

According to Theo Haimann, "Controlling is the process of checking whether or not proper progress is being made towards the objectives and goals and acting if necessary, to correct any deviation".

According to Koontz & O'Donell "Controlling is the measurement & correction of performance activities of subordinates in order to make sure that the enterprise objectives and plans desired to obtain them as being accomplished". Therefore controlling has following steps:

- a. Establishment of standard performance.
- b. Measurement of actual performance.
- c. Comparison of actual performance with the standards and finding out deviation if any.
- d. Corrective action.

Q.7. Discuss the Qualities of a Successful Manager.

Ans. It is easy to find a bad manager, but much harder to find a successful one. So what makes a manager successful? Here are my top ten qualities of a successful manager:

1. **Demonstrates integrity** - A manager should walk the talk. The old saying, "Lead by example" is the first quality that makes a manager a stand out.

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2. **Deals honestly and diplomatically** - A manager, who owns their mistakes, deals openly, and honestly with others, earns the respect of those they are trying to lead.
3. **Demonstrates flexibility** - A manager who is responsive to the needs of the business AND the needs of employees, is able to keep his team on target and yet achieve the goals of the business.
4. **Shows commitment and reliability** - A manager who delivers their promises shows their team that they are reliable and promotes trust.
5. **Listens effectively** - A manager who 'seeks first to understand, then to be understood' (Dr Steven Covey) is a manager who will always have their finger on the pulse of the business.
6. **A good negotiator** - A manager who comes to the table prepared to give a little that the outcome is a positive one for everyone, will not only earn the respect of his employees but be guaranteed of the opportunity for further negotiations in the future.
7. **A thorough planner** - 'If you fail to plan, you plan to fail.' This saying is especially true for managing. A manager is a coach to their team and the team are looking to them for the game plan.
8. **Is fair** - A manager who doesn't take sides, show favoritism or victimize those they are supervising, will earn their trust and in turn, will have more personal power to influence their team for good.
9. **Knows how to have fun and has a good sense of humor** - A manager who is able to promote a safe and happy work environment where appropriate fun is embraced, will ensure the retention of staff.
10. **Seeks to understand their workers** - A manager who is able to accurately assess the skills, abilities and personalities of their work team, will be able to develop individual managers to maximize their effectiveness and help them reach their potential, whilst focusing their efforts on the goal.

Q.8. What do you mean by managerial role? Discuss the different roles that managers play in an organization.

Ans. To meet the many demands of performing their functions, managers assume multiple roles. A role is an organized set of behaviors. Henry Mintzberg has identified ten roles common to the work of all managers. The ten roles are divided into three groups: interpersonal, informational, and decisional.

The *informational roles* link all managerial work together.

The *interpersonal roles* ensure that information is provided.

The *decisional roles* make significant use of the information.

The performance of managerial roles and the requirements of these roles can be played at different times by the same manager and to different degrees depending on the level and function of management. The ten roles are described individually, but they form an integrated whole.

The three interpersonal roles are primarily concerned with interpersonal relationships.

In the **figurehead role**, the manager represents the organization in all matters of formality. The top level manager represents the company legally and socially to those outside of the organization. The supervisor represents the work group to higher management and higher management to the work group.

In the **liaison role**, the manager interacts with peers and people outside the organization. The top level manager uses the liaison role to gain favors and information, while the supervisor uses it to maintain the routine flow of work.

The **leader role** defines the relationships between the manager and employees.

The direct relationships with people in the interpersonal roles place the manager in a unique position to get information.

Thus, the three informational roles are primarily concerned with the information aspects of managerial work.

In the **monitor role**, the manager receives and collects information.

In the role of disseminator, the manager transmits special information into the organization. The top level manager receives and transmits more information from people outside the organization than the supervisor.

In the role of spokesperson, the manager disseminates the organization's information into its environment. Thus, the top level manager is seen as an industry expert, while the supervisor is seen as a unit or departmental expert.

The unique access to information places the manager at the center of organizational decision making.

There are four decisional roles.

- **In the entrepreneur role, the manager initiates change.**
- **In the disturbance handler role, the manager deals with threats to the organization.**
- **In the resource allocator role, the manager chooses where the organization will expend its efforts.**
- **In the negotiator role, the manager negotiates on behalf of the organization.** The top level manager makes the decisions about the organization as a whole, while the supervisor makes decisions about his or her particular work unit.

The supervisor performs these managerial roles but with different emphasis than higher managers. Supervisory management is more focused and short-term in outlook.

Thus, the figurehead role becomes less significant and the disturbance handler and negotiator roles increase in importance for the supervisor. Since leadership permeates all activities, the leader role is among the most important of all roles at all levels of management.

Q.9. What are responsibilities of Managers and discuss the importance of Management.

Ans. **Responsibilities of a managerial position**

1. Supervise and manage the overall performance of staff in his department.
2. Achieve business and organization goals, visions and objectives.

3. Analyzing, reporting, giving recommendations and developing strategies on how to improve quality and quantity
4. Involved in employee selection, career development, succession planning and periodic training.
5. Working out compensations and rewards
6. Responsible for the growth and increase in the organizations' finances and earnings.
7. Identifying problems, creating choices and providing alternatives courses of actions.

Importance of Management

It helps in Achieving Group Goals – It arranges the factors of production, assembles and organizes the resources, integrates the resources in effective manner to achieve goals. It directs group efforts towards achievement of pre-determined goals. By defining objective of organization clearly there would be no wastage of time, money and effort. Management converts disorganized resources of men, machines, money etc. into useful enterprise. These resources are coordinated, directed and controlled in such a manner that enterprise work towards attainment of goals.

Optimum Utilization of Resources – Management utilizes all the physical & human resources productively. This leads to efficacy in management. Management provides maximum utilization of scarce resources by selecting its best possible alternate use in industry from out of various uses. It makes use of experts, professional and these services leads to use of their skills, knowledge, and proper utilization and avoids wastage. If employees and machines are producing its maximum there is no under employment of any resources.

Reduces Costs – It gets maximum results through minimum input by proper planning and by using minimum input & getting maximum output. Management uses physical, human and financial resources in such a manner which results in best combination. This helps in cost reduction.

Establishes Sound Organization – No overlapping of efforts (smooth and coordinated functions). To establish sound organizational structure is one of the objective of management which is in tune with objective of organization and for

fulfillment of this, it establishes effective authority & responsibility relationship i.e. who is accountable to whom, who can give instructions to whom, who are superiors & who are subordinates. Management fills up various positions with right persons, having right skills, training and qualification. All jobs should be cleared to everyone.

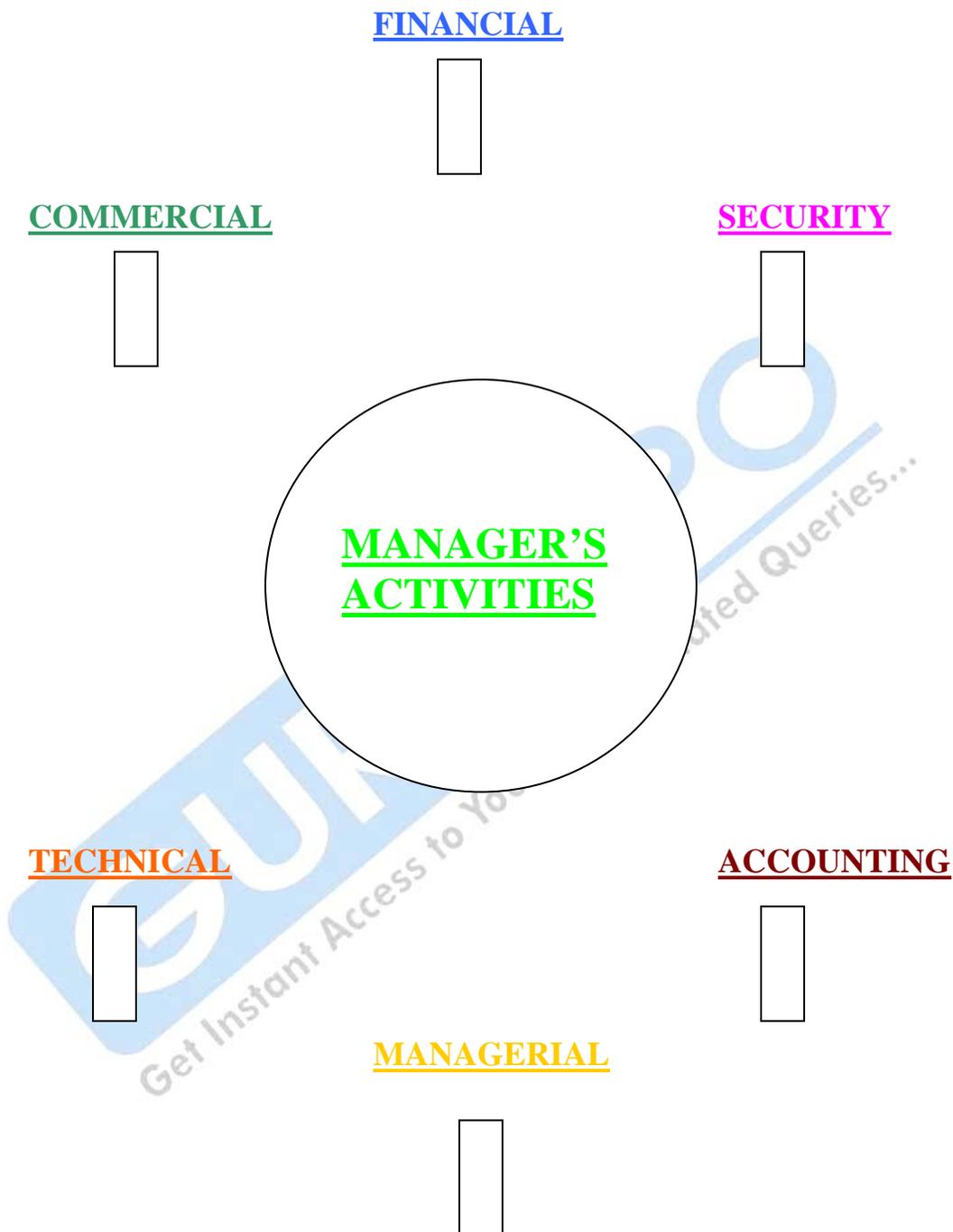
Establishes Equilibrium – It enables the organization to survive in changing environment. It keeps in touch with the changing environment. With the change in external environment, the initial co-ordination of organization must be changed. So it adapts organization to changing demand of market / changing needs of societies. It is responsible for growth and survival of organization.

Essentials for Prosperity of Society – Efficient management leads to better economical production which helps in turn to increase the welfare of people. Good management makes a difficult task easier by avoiding wastage of scarce resource. It improves standard of living. It increases the profit which is beneficial to business and society will get maximum output at minimum cost by creating employment opportunities which generate income in hands. Organization comes with new products and researches beneficial for society

Q.10. What do you mean by Principles of management? Explain Principles of Management.

Ans. Management principles are statements of fundamental truth. These principles serve as guidelines for decisions and actions of managers. They are derived through observation and analysis of events which managers have to face in practice

Fayol made his mark as an industrialist with the French coal and iron combine of commentary four chambault where he spent his entire working life. According to Fayol the activities of an industrial organization could be divided into six categories as shown below: -



- TECHNICAL - (Production & Manufacturing)
- COMMERCIAL - (Buying, Selling & Exchange)
- FINANCIAL - (Acquiring & using capital)

For more detail: - <http://www.gurukpo.com>

- SECURITY - (Protection of Property & Person)
- ACCOUNTING - (Stock taking, Balance sheet, cost & statistics)
- MANAGERIAL - (Planning, Organizing, Command, Control and

There are 14 Principles of Management described by Henri Fayol

1. Division of Work -

The specialization of the workforce according to the skills a person, creating specific personal and professional development within the labour force and therefore increasing productivity; leads to specialization which increases the efficiency of labour. By separating a small part of work, the workers speed and accuracy in its performance increases. This principle is applicable to both technical as well as managerial work.

2. Authority and Responsibility-

The issue of commands followed by responsibility for their consequences. Authority means the right of a superior to give order to his subordinates; responsibility means obligation for performance. This principle suggests that there must be parity between authority and responsibility. They are co-existent and go together, and are two sides of the same coin.

3. Discipline-

Discipline refers to obedience, proper conduct in relation to others, respect of authority, etc. It is essential for the smooth functioning of all organizations.

4. Unity of Command -

This principle states that every subordinate should receive orders and be accountable to one and only one superior. If an employee receives orders from more than one superior, it is likely to create confusion and conflict. Unity of Command also makes it easier to fix responsibility for mistakes.

5. Unity of Direction -

All those working in the same line of activity must understand and pursue the same objectives. All related activities should be put under one group, there should be one plan of action for them, and they should be under the control of one

manager. It seeks to ensure unity of action, focusing of efforts and coordination of strength.

6. Subordination of Individual Interest

The management must put aside personal considerations and put company objectives first. Therefore the interests of goals of the organization must prevail over the personal interests of individuals.

7. Remuneration -

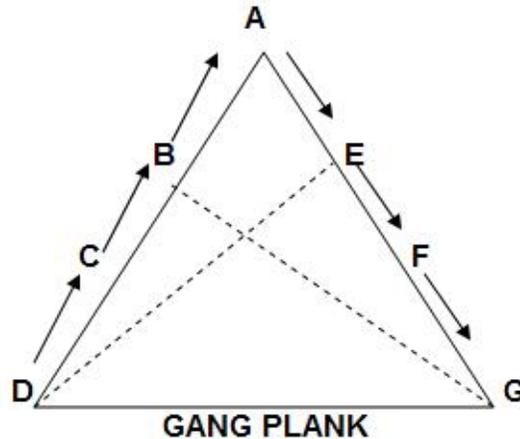
Workers must be paid sufficiently as this is a chief motivation of employees and therefore greatly influences productivity. The quantum and methods of remuneration payable should be fair, reasonable and rewarding of effort.

8. The Degree of Centralization -

The amount of power wielded with the central management depends on company size. Centralization implies the concentration of decision making authority at the top management. Sharing of authority with lower levels is called decentralization. The organization should strive to achieve a proper balance.

9. Scalar Chain -

Scalar Chain refers to the chain of superiors ranging from top management to the lowest rank. The principle suggests that there should be a clear line of authority from top to bottom linking all managers at all levels. It is considered a chain of command. It involves a concept called a "**gang plank**" using which a subordinate may contact a superior or his superior in case of an emergency, defying the hierarchy of control. However the immediate superiors must be informed about the matter



10. **Order -**

Social order ensures the fluid operation of a company through authoritative procedure. Material order ensures safety and efficiency in the workplace.

11. **Equity -**

Employees must be treated kindly, and justice must be enacted to ensure a just workplace. Managers should be fair and impartial when dealing with employees.

12. **Stability of Tenure of Personnel -**

The period of service should not be too short and employees should not be moved from positions frequently. An employee cannot render useful service if he is removed before he becomes accustomed to the work assigned to him.

13. **Initiative -**

Using the initiative of employees can add strength and new ideas to an organization. Initiative on the part of employees is a source of strength for the organization because it provides new and better ideas. Employees are likely to take greater interest in the functioning of the organization.

14. **Esprit de Corps -**

This refers to the need of managers to ensure and develop morale in the workplace; individually and communally. Team spirit helps develop an atmosphere of mutual trust and understanding.

These can be used to initiate and aid the processes of change, organization, decision making, skill management and the overall view of the management function

Q.11. Differentiate between Unity of Command & Unity of Direction.

Ans.

Basis	Unity of command	Unity of direction
Meaning	It implies that a sub-ordinate should receive orders & instructions from only one boss.	It means one head, one plan for a group of activities having similar objectives.
Nature	It is related to the functioning of personnel's.	It is related to the functioning of departments, or organization as a whole.
Necessity	It is necessary for fixing responsibility of each subordinate.	It is necessary for sound organization.
Advantage	It avoids conflicts, confusion & chaos.	It avoids duplication of efforts and wastage of resources.
Result	It leads to better superior sub-ordinate relationship.	It leads to smooth running of the enterprise.

Q.12. Write short note on Scientific Management.

Ans. *Fredrick Winslow Taylor* commonly known as '**Father of Scientific Management**' started his career as an operator and rose to the position of chief engineer. He conducted various experiments during this process which forms the basis of scientific management. It implies application of scientific principles for studying & identifying management problems.

According to Taylor, "Scientific Management is an art of knowing exactly what you want your men to do and seeing that they do it in the best and cheapest way". In Taylor's view, if a work is analysed scientifically it will be possible to find *one best way* to do it.

Hence scientific management is a thoughtful, organized, dual approach towards the job of management against hit or miss or Rule of Thumb.

According to Drucker, "The cost of scientific management is the organized study of work, the analysis of work into simplest element & systematic management of worker's performance of each element".

Q.13. Briefly explain the Principles of Scientific Management.

Ans.

1. Development of Science for each part of men's job (replacement of rule of thumb)

- a. This principle suggests that work assigned to any employee should be observed, analyzed with respect to each and every element and part and time involved in it.
- b. This means replacement of odd rule of thumb by the use of method of enquiry, investigation, data collection, analysis and framing of rules.
- c. Under scientific management, decisions are made on the basis of facts and by the application of scientific decisions.

2. Scientific Selection, Training & Development of Workers

- a. There should be scientifically designed procedure for the selection of workers.
- b. Physical, mental & other requirement should be specified for each and every job.
- c. Workers should be selected & trained to make them fit for the job.
- d. The management has to provide opportunities for development of workers having better capabilities.
- e. According to Taylor efforts should be made to develop each employee to his greatest level and efficiency & prosperity.

3. Co-operation between Management & workers or Harmony not discord

- a. Taylor believed in co-operation and not individualism.
- b. It is only through co-operation that the goals of the enterprise can be achieved efficiently.
- c. There should be no conflict between managers & workers.
- d. Taylor believed that interest of employer & employees should be fully harmonized so as to secure mutually understanding relations between them.

4. Division of Responsibility

- a. This principle determines the concrete nature of roles to be played by different level of managers & workers.
- b. The management should assume the responsibility of planning the work whereas workers should be concerned with execution of task.
- c. Thus planning is to be separated from execution.

5. Mental Revolution

- a. The workers and managers should have a complete change of outlook towards their mutual relation and work effort.
- b. It requires that management should create suitable working condition and solve all problems scientifically.
- c. Similarly workers should attend their jobs with utmost attention, devotion and carefulness. They should not waste the resources of enterprise.
- d. Handsome remuneration should be provided to workers to boost up their moral.
- e. It will create a sense of belongingness among worker.
- f. They will be disciplined, loyal and sincere in fulfilling the task assigned to them.
- g. There will be more production and economical growth at a faster rate.

6. Maximum Prosperity for Employer & Employees

- a. The aim of scientific management is to see maximum prosperity for employer and employees.
- b. It is important only when there is opportunity for each worker to attain his highest efficiency.
- c. Maximum output & optimum utilization of resources will bring higher profits for the employer & better wages for the workers.
- d. There should be maximum output in place of restricted output.
- e. Both managers & workers should be paid handsomely.

Q.14. Short note on - Criticism of Scientific Management

Ans. Although it is accepted that the scientific management enables the management to put resources to its best possible use and manner, yet it has not been spared of severe criticism.

Workers Viewpoint

1. **Unemployment** – Workers feel that management reduces employment opportunities from them through replacement of men by machines and by increasing human productivity less workers are needed to do work leading to chucking out from their jobs.
2. **Exploitation** – Workers feel they are exploited as they are not given due share in increasing profits which is due to their increased productivity. Wages do not rise in proportion as rise in production. Wage payment creates uncertainty & insecurity (beyond a standard output, there is no increase in wage rate).
3. **Monotony** – Due to excessive specialization the workers are not able to take initiative on their own. Their status is reduced to being mere cogs in wheel. Jobs become dull. Workers loose interest in jobs and derive little pleasure from work.
4. **Weakening of Trade Union** – To everything is fixed & predetermined by management. So it leaves no room for trade unions to bargain as everything is standardized, standard output, standard working conditions, standard time etc.

This further weakens trade unions, creates a rift between efficient & in efficient workers according to their wages.

5. **Over speeding** – the scientific management lays standard output, time so they have to rush up and finish the work in time. These have adverse effect on health of workers. The workers speed up to that standard output, so scientific management drives the workers to rush towards output and finish work in standard time.

Employer's Viewpoint

1. **Expensive** – Scientific management is a costly system and a huge investment is required in establishment of planning dept., standardization, work study, training of workers. It may be beyond reach of small firms. Heavy fixed investment leads to increase in overhead costs.
2. **Time Consuming** – Scientific management requires mental revision and complete reorganizing of organization. A lot of time is required for work, study, standardization & specialization. During this overhauling of organization, the work suffers.

Q.15. Define Administration. In which respect is it different from Management?

Ans. According to *Theo Haimann*, “Administration means overall determination of policies, setting of major objectives, the identification of general purposes and laying down of broad programmes and projects”. It refers to the activities of higher level. It lays down basic principles of the enterprise. According to Newman, “Administration means guidance, leadership & control of the efforts of the groups towards some common goals”.

Whereas, management involves conceiving, initiating and bringing together the various elements; coordinating, actuating, integrating the diverse organizational components while sustaining the viability of the organization towards some pre-determined goals. In other words, it is an art of getting things done through & with the people in formally organized groups

The difference between Management and Administration can be summarized under 2 categories: -

1. **Functions**
2. **Usage / Applicability**

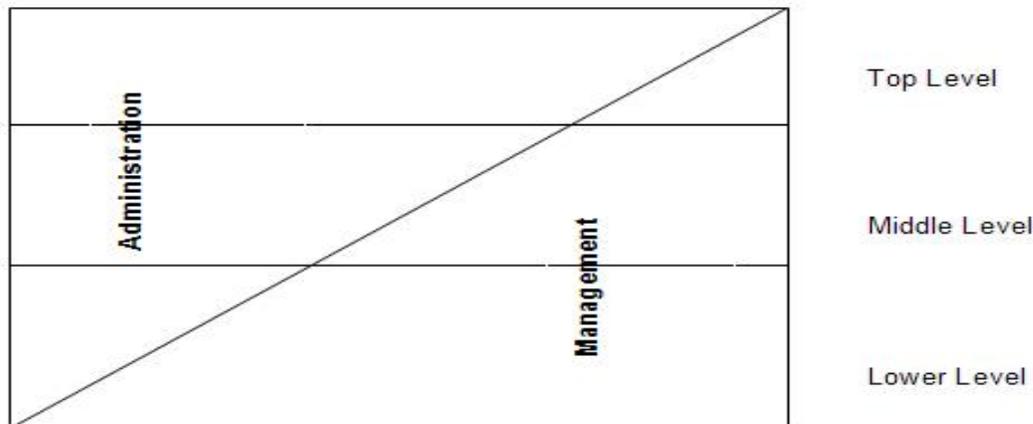
On the Basis of Functions: -

Basis	Management	Administration
Meaning	Management is an art of getting things done through others by directing their efforts towards achievement of pre-determined goals.	It is concerned with formulation of broad objectives, plans & policies.
Nature	Management is an executing function.	Administration is a decision-making function.
Process	Management decides who should do it & how should he do it.	Administration decides what is to be done & when it is to be done.
Function	Management is a doing function because managers get work done under their supervision.	Administration is a thinking function because plans & policies are determined under it.
Skills	Technical and Human skills	Conceptual and Human skills
Level	Middle & lower level function	Top level function

On the Basis of Usage: -

Basis	Management	Administration
Applicability	It is applicable to business concerns i.e. profit-making organization.	It is applicable to non-business concerns i.e. clubs, schools, hospitals etc.
Influence	The management decisions are influenced by the values, opinions, beliefs & decisions of the managers.	The administration is influenced by public opinion, govt. policies, religious organizations, customs etc.
Status	Management constitutes the employees of the organization who are paid remuneration (in the form of salaries & wages).	Administration represents owners of the enterprise who earn return on their capital invested & profits in the form of dividend.

Practically, there is no difference between management & administration. Every manager is concerned with both – administrative management function and operative management function as shown in the figure. However, the managers who are higher up in the hierarchy denote more time on administrative function & the lower level denote more time on directing and controlling worker's performance i.e. management.



The Figure above clearly shows the degree of administration and management performed by the different levels of management

For theoretical purposes, it may be convenient to separate the function of management but practically these functions are overlapping in nature i.e. they are highly inseparable. Each function blends into the other & each affects the performance of others.

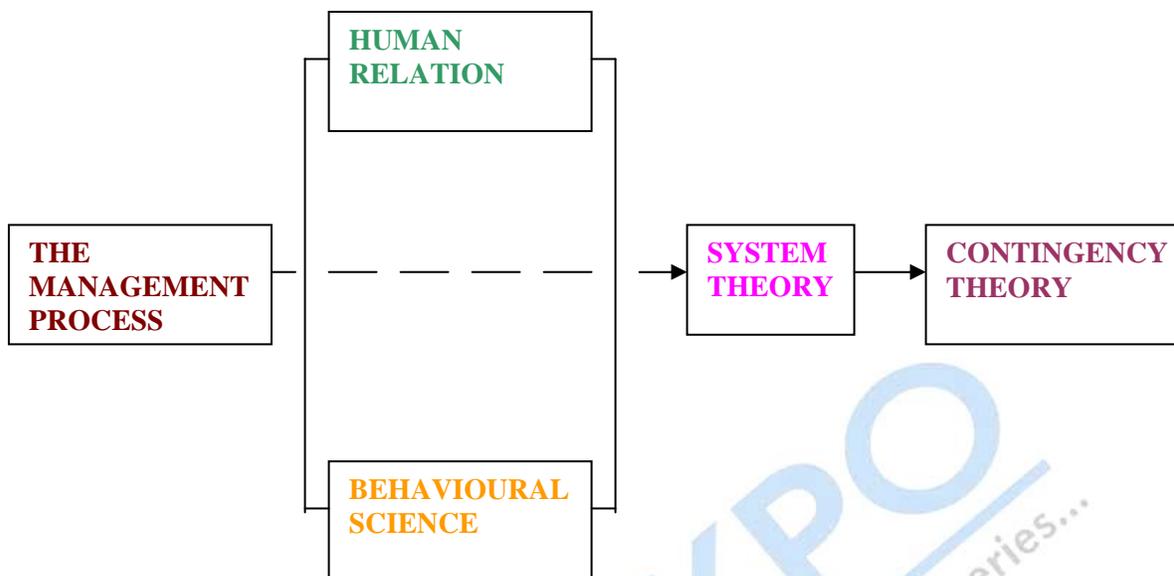
Q.16. Explain System Approach of Modern Management Theory.

Ans. MODERN MANAGEMENT THEORY

The past thirty years witnessed a “Knowledge Explosion” in the field of managements. During this period management writer have been primarily concerned with integrating the findings of scientific management, principles of management and human relations movements. However two integrating trends have developed throwing adequate light on the dynamic nature of management namely: -

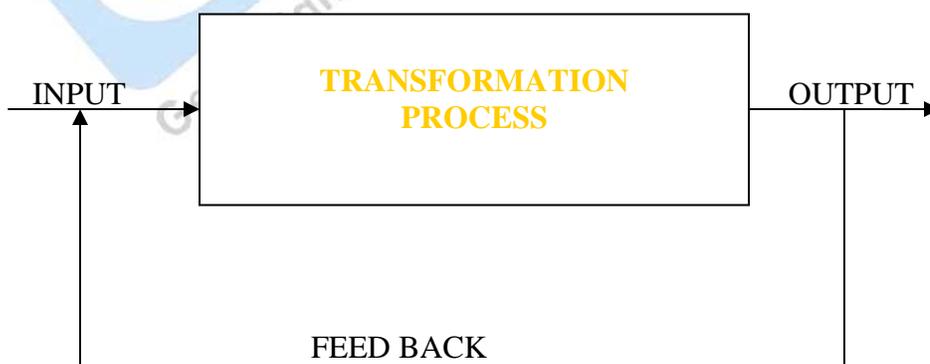
- System Approach
- Contingency Approach

These modern management theories considered all elements the whole organization as well as components parts. The organization is viewed as adaptive systems which must in order to survive adjust to environmental changes. The organization and its environment are seen as interdependent; each depends on the other for resources from scientific management, human relations. It is background that furnishes a foundation for understanding Contemporary management theory and practice.



SYSTEM APPROACH: -

A system in simple terms is a set of interrelated parts. It is a group of interrelated but separate elements working towards a common purpose. The arrangement of elements must be orderly, there must be proper communication facilitating interaction between the elements and finally the interaction should lead to achieve a common goal. The organization transforms input into a variety of outputs and offers the same to the external environment in the form of products good and services. Sale of the output provides the necessary energy (feedback) to the system cycle.



The system approach provides a unified focus to organizational efforts. A major contribution of the system approach results from its strong emphasis on the interrelatedness or mutuality of the parts of an organization. Another important benefit of system theory lies in its treatment of the organization as an open system. A close system imports something from the environment and exports something into the environment. The system theory of management is characterized by the following: -

(a) **Dynamic:** - Within the organization the process of interaction between subsystems is dynamic.

(b) **Multilevel and Multidimensional:** - It is micro within the nation's industrial network and it is macro with respect to its internal units. The modern manager is forced to recognize the importance of parts as well as the whole.

(c) **Multimotivated:** - Motivation is an extremely complex process and drawing simplistic equation is a futile exercise.

(d) **Probabilistic:** - Modern theory tends to probabilistic. "Statement in modern theory tends to be qualified with phrases such as "may be", in general" and usually" because modern theory recognizes that few predictive statement can be made with certainty.

(e) **Multidisciplinary:** - Modern theory of management is enriched by contribution from disciplines like sociology, psychology, economics, anthropology, ecology mathematics, operations research and so on.

(f) **Descriptive:** - Individual are free to select the objectives and the methods to improve organizational effectiveness.

(g) **Multivariable:** - There is no simple cause effect phenomenon in organizational activities. An event may be the product of many factors that are in turn interrelated and interdependent.

(h) **Adaptive:** - An organization and its environment are expected to rearrange their parts. Organization tries to cope with environment changes through the "feed back" mechanism. An organization must produce output acceptable to components in environment.

It is true that “System theory provides a broad Philosophical perspective that bridge academic disciplines and mounts integrated attack on a wide variety of problem”

Q.17. Explain Contingency approach of Management.

Ans. The contingency approach believes that it is impossible to select one way of managing that works best in all situations like promoted by Taylor. Their approach is to identify the conditions of a task (scientific management school), managerial job (administrative management school) and person (human relations school) as parts of a complete management situation and attempt to integrate them all into a solution which is most appropriate for a specific circumstance. Contingency refers to the immediate (contingent or touching) circumstances.

The manager has to systematically try to identify which technique or approach will be the best solution for a problem which exists in a particular circumstance or context.

The contingency approach seeks to apply to real life situations ideas drawn from various schools of management thought. They claim that no one approach is universally applicable and different problems and situations require different approaches. Managers must try to find the approach that is the best for them in a certain given situation, so they can achieve their goals.

It is important to note that the contingency approach stresses the need for managers to examine the relationship between the internal and external environment of an organization. Critics of the contingency approach have blamed it to lack theoretical foundation and are basically intuitive. Managers today are advised to analyze a situation and use ideas from the various schools of thought to find an appropriate combination of management techniques to meet the needs of the situation.

Q.18. Explain Bureaucratic Management and its Characteristics.

Ans. Max Weber contributed the theory of bureaucracy to the management thought. He used the word; bureaucracy to the specific kind of administrative organization whose characteristics are given below; Max Weber’s main contribution to management is his theory of authority structure and his description of organizations based on the nature of authority relations within them. It was

Weber's contention that there are three types of legitimate authority which run as follows:

- **Rational legal authority-** Obedience is owed to a legally established position or rank within the hierarchy of a business, military unit, government, and so on.
- **Traditional authority-** People obey a person because he belongs to certain class or occupies a position traditionally recognized as possessing authority, such as a royal family.
- **Charismatic authority-** Obedience is based on the followers' belief that a person has some special power or appeal.

Characteristics of Bureaucracy

A bureaucratic organization shows the following characteristics:

- **Division of work-** There is a high degree of division of work at both the operative and administrative levels. This leads to specialization of work
- **Hierarchy of positions-** There is a hierarchy of authority in the organization. Each lower position is under the control of a higher one. Thus, there is unity of command.
- **Rules and regulations-** The rules, regulations and procedures are clearly laid down by the top administration. Their benefits are as under:
- **Impersonal conduct-** There is impersonality of relationships among the organizational members. The decisions are entirely guided by rules and regulations and are totally impersonal. There is no room for emotions and sentiments in this type of structure
- **Staffing-** The personnel are employed by a contractual relationship between the employee and employer. The employees get salary every month which is based on the job they handle and also the length of service.
- **Technical competence-** The bureaucrats are neither elected nor inherited, but they are appointed through selection. Promotions in bureaucracies are also based on technical qualifications and performance

- **Official records:** The decisions and activities of the organization are formally recorded and preserved safely for future reference. This is made possible by extensive filing system. The official records are considered as the encyclopedia of various activities performed by the organization. The filing system makes the organization independent of individuals. The official records serve as the memory of the organization.

Q.19. Explain Classical perspective of Management and basic principles laid down by Classical School

Ans. Classical perspective

The Empirical School seeks to generalize the nature of management based on the experience of successful managers. The basic theme of this assumption is that if a particular business operation is successful, or if a particular problem was effectively tackled by application of a particular strategy, then the methods of strategies through which success was achieved by the managers could be equally effectively used by others in the case of similar business situations in future.

The basic principles laid down by the Classical School may be summed up as follows:

- **Scalar chain:** It is the fore-runner of the hierarchy principle under which authority flows from the top to the bottom level managerial positions.
- **Unity of command:** It lays down that each individual should only receive orders from one hierarchical superior.
- **Exception:** It emphasizes, maximum delegation of authority such that the superior is required to intervene only in the case of non-routine, exceptional tasks.
- **Span of control :-** It advocates that each superior should only have a manageable number of subordinates to direct and control
- **Specialization:** It emphasizes differentiation of organizational activities based on objectives, processes, location, clients, etc.
- **Scientific method:** It advocates the use of experimental methods to develop sound organizational and management methods.

Q.20. Discuss in detail the social responsibility of business towards its different stakeholders.

Ans. Responsibility towards Itself:

According to Keith Davis, “I feel that the first responsibility of the business is to operate its business effectively.”

- To operate the business efficiently and effectively
- To ensure the production and distribution of goods and services at a profit. This is necessary for its survival, growth and socially responsible behavior.
- To make policies that ensure achievement of economic and social objectives of the business simultaneously.
- To maintain wealth-producing resources intact by making profits to offset risk of business activities.
- To innovate and expand business by producing new products/ services, by entering into new markets, by using new raw materials etc.
- To make every effort to remain competitive at all times.
- To make every effort to perform all the activities fool proof. Every defect or fault should be corrected without being told or pointed out by others.
- To ensure protection of natural environment for sustainable economic development for future growth and development.

Responsibility towards Shareholders/Owners

- To ensure payment of fair and consistent return on their investment.
- To make proper use of their funds within their authority.
- To ensure safety and growth of their investments.
- To make full and proper disclosure of all the facts within the framework of law and regulations
- To hold meetings from time to time and give proper notice of them to all the shareholders.

- To conduct all the meeting as per the law
- To send copies of annual reports and other documents as required any the law.
- To ensure compliance of code of corporate governance framed by the SEBI/ Ministry of corporate affairs.

Responsibility towards Customers

- To ensure supply of goods/ services of right quality, at right time, at right place and right price.
- To ensure supply of goods/ services to meet the needs of different classes/ categories of customers.
- To enhance product safety.
- To reduce polluting potential of products.
- To improve packaging and labeling through eco- friendly measures
- To innovate and produce energy efficient products
- To adopt fair and ethical practices and not indulge in adulteration, hoarding and black marketing, profiteering practices.

Responsibility towards Employees

- To employ all the employees at the right job
- To pay fair wages/salaries, bonus etc.
- To ensure healthy and safe working conditions/ work environment
- To provide adequate benefits such as housing, medical facilities, insurance cover, retirement benefits etc.
- To provide reasonable job security.
- To provide opportunities of training, promotions. career development and job satisfaction
- To provide day care facilities for working parents.
- To ensure equal opportunity to all without any discrimination of cost, creed, sex etc.

- To ensure compliance of work place ethics.

Responsibility towards Suppliers

- To ensure timely payment of all the bills due.
- To bargain for a win- win situation for both
- To make every effort to ensure long-term sound business relations.
- To ensure proper performance of terms of contract.
- To refrain from taking undue advantages of legal loop-holes in the supply contract.
- To ensure adequate secrecy of contract terms.
- To provide opportunities to new suppliers.
- To inform about the market trends and other facts to suppliers

Responsibility towards Competitors

- To play fair game in competition for encouraging healthy competition
- Not to indulge in monopolistic and restrictive practices that restrains the free and fair competition.
- Avoid misleading advertisements, false or unreasonable product guarantee, tricky pricing that create the barriers to healthy competition.
- Not to indulge in brand assassination activities
- Not to mislead or misrepresent the customers about competitors.
- To ensure free entry of competitors for the healthy growth of trade and economy.

Responsibility towards Government

- To comply with the laws and regulations of the land
- To pay the taxes and duties honestly within the time
- To actively contribute to the economic development of the country.

- To contribute to the implementation of socio- economic plans and programmes or the government such as family welfare, poverty alleviation etc.
- To respond positively to the government appeals and instructions.
- To restrain from sacking undue favors from government officials and deny bribes and other corrupt practices.
- To donate funds and provide other helps in the times of national calamity.

Responsibility towards Environment

- To help develop local infrastructure like foot ways, roads, water supply, parks and sanitation facilities, educational institutions, hospitals etc.
- To provide employment opportunities to local people.
- To impart job oriented education and training to unemployed persons.
- To contribute to the upliftment of weaker sections of the community.
- To support minority owned businesses.
- To encourage local trade
- To make efforts to recycle the products to save environment
- To refrain from all kinds of anti social, unfair and unethical activities.

Send your requisition at
info@biyanicolleges.org