

Concept and Foundations of Management (Managerial Function)

Management is common in daily life of people. The term management that denotes to manage things diplomatically to give good results and accomplish pre-determined goals of the firm. Organization can be successful with efficient management selection of employees for particular job, good management of tools, machines and other equipment. It is important to control and organize the efforts of different individual or group of person. It also assists to control, organize and synchronize the function of an organization. Management is basically the process of enabling the companies to operate in both the immediate and near future. A manager has to organize various resources against several constraints to accomplish predetermined objectives in effective way. Manager has to continually investigate the existing situation, determine objectives, search for alternatives, execute, control and make decision.

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Management has important role in business and organizations as it coordinates the efforts of people to achieve goals and objectives using available resources competently and successfully. Resourcing includes the deployment and handling of human resources, financial resources, technological resources, and natural resources. Management is also an academic discipline, a social science whose object of study is the social organization. There are four basic concepts of management, such as plan, organize, direct, and monitor. Kreitner defined that management is a problem solving process of effectively achieving organizational objectives through the efficient use of scarce resources in a changing environment. George R Terry describes management as "a process consisting of planning, organizing, actuating and controlling performed to determine and accomplish the objectives by the use of people and resources". He stated that management is a process-a systematic way of doing thing using four managerial functions namely planning, organizing, actuating and controlling. 'Planning' means thinking of the manager's action in advance. Other theorists like Joseph L Massie described "Management is the process by which a cooperative group directs actions towards common goals". The activities of the managers are based on logic, plan or some method instead of guessing. Organizing means coordinating machines, materials and human resources of the organization. Actuating means motivating, directing the subordinates. 'Controlling' means manager must ensure that there is no deviations from plans.

Features of management

There are numerous attributes of management. First of all, theorists stated that management is a constant process. The process of management comprises of planning, organizing, directing and controlling the resources to make certain that resources are best utilized in organization and increase productivity. Secondly, many researchers stated that management is art as well as science. It is the art to develop people so that they can give their best and this will not be possible without effective management. Theorists, Koontaz and O Donnell stated that "Management is an art of getting things done through and with the people in formally organized group." Another management theorist, Henry Fayol explained that "To manage is to forecast and to plan, to organize, to command, to co-ordinate and to control." F.W. Taylor stated that "Management is the art of knowing what you want to do and then seeing that it is done in the best and cheapest way". John F Mee states "Management is the art of securing maximum results with minimum efforts so

as to secure maximum prosperity for employer and employee and give to public the best possible service". It is represented that management is a constant process to perform activities with the proper use of employees and other resources. Others argue that it is a science also because management principles or laws are developed for the application to organize business operations. Management is termed as science if its methods of inquiry are systematic and empirical, information can be planned and analysed and results are cumulative and transmissible. Management can be categorized as an art because it is the skill of getting things done through others in vibrant situations. Third feature of management is to accomplish predetermined objectives. Other Characteristic of management is production. An enterprise produces goods or services using resources like land, labour, capital, machines etc. These resources themselves cannot realize the organizations goals. The goals are achieved when these are effectively coordinated by the entrepreneur. Next feature of management is to make sensible decision to select the best among alternative courses. Decision-making is an important function of a manager and it determines success or failure of an organization. A manager must make a right decision at right time. Other feature is universal application. The principles and concepts of management are applicable to every type of industry. It is explained that management is needed at all levels because planning, organizing, directing, controlling, decision-making are done by top level as well as lower level supervisors. Management has major objective to generate revenue. The resources are accurately utilized to maximize profit. Other feature of management is that this process must be dynamic. With time new principles, concepts and techniques are developed and adopted by management. Management system changes according to the social change. Management has important role in shaping career. Some researchers explained management as a discipline which denotes to well defined concepts and principles. It is an accumulated body of knowledge that can be learnt. Therefore, management can be termed as a subject with principles and concepts. The reason to gain knowledge about management is to learn to apply these principles and concepts at appropriate circumstances at the right time to produce required result. Presently, candidates can choose various career options after completing course in management such as marketing management, finance management, personal management, Industrial management, production management, and quality management. Ralph C Devis stated that "Management is the executive leadership anywhere". Another theorist, William Spriegal described that management is that function of an enterprise which concerns itself with the direction and control of various activities to attain business activities.

Nature of management

Management principles, concepts and techniques are modified from time to time. The nature of management can be explained in many ways. It is multidisciplinary as it pulls ideas and concepts from various disciplines like economics, sociology, psychology, statistics, and operations research. Management incorporates the ideas taken from various disciplines and presents innovative concepts which can be implemented. The incorporation of these ideas is the major contribution of management. Secondly, Principles are developed by combination of ideas from various disciplines supported by realistic evidence. These principles are flexible and change with the environment in which organization works. Researchers explore continually to develop new principles and replace many older principles.



Process of management

Management professional describe numerous functions of management. Following table will show important functions of management:

Management Functions

Planning	Directing	Controlling
Formulating purpose	Leading	Investigating
Decision making	Motivating	Evaluating
Innovating	Commanding	Coordinating
Organizing	Activating	Representing
Staffing	Securing Efforts	Administration
Appraising	Communicating	

Practical areas of management

Management process involves several tasks. There is a difference between management functions such as planning, organizing, staffing, directing and controlling and the organizational functions that include productions, finance and others. Organizational functions vary from organization to organization. Four major functional areas of management are categorized by theorists that include production, finance, marketing and personnel.

Production

production manager manages the productive operations and he is responsible for all production related activities. There are numerous production activities. Purchasing which is associated with the purchase of different materials necessary by the organization. Purchasing involves procuring right quantity of materials of right quality, at the right time and at the right price from the right supplier. Another production activity is materials management that involves storing of materials,

issue of materials to various departments. Research and Development is an important production operation that is mainly responsible for improving the existing products and process and developing new products and process.

Marketing

This functional area of management involves the distribution of organization's products to the buyers. Numerous activities of marketing are described by researchers for the success of organization. Advertising is major activity that transmits information about products to buyers. Marketing research is associated with the methodical collection, analysis of data relating to the marketing of goods and services. Next marketing tool is sales management that involves management efforts directed towards movement of products and services from producers to consumers.

Finance and accounting

It handles investment of financial resources and record-keeping of various transactions. The various functions of Financial Accounting is dealing with record keeping of various transactions. Management Accounting performs analysis and interpretation of financial records to take wise decision. Costing is another finance function which deals with recording of costs, their classification and analysis for cost control. Investment Management handles financial resources to invest in various alternatives to maximize profit. Lastly, marketing function is taxation function that deals with various direct and indirect taxes to be paid by the organization.

Personnel

This functional area of management is related with human resources and has various activities. Recruitment and Selection deal with recruitment and selection of employees. Training and Development manages training of employees and making them more efficient. Wage and Salary Administration deal with fixing of salaries, job evaluation, promotion, and incentives. Industrial Relations deals with maintenance of good employee relations.

Levels of management

Personnel in an organization are prearranged in a ladder and they all have the relationship of senior to junior post. Every manager in an organization performs all five management functions. The relative importance of these functions varies along the managerial levels. E.F.L. Brech has categorized management levels into three categories that include Top Management, Middle Management and Supervisory/Lower Level.

Level of management



Top management of an organization comprises of board of directors, chairman and chief executive officer. Top level management determines goals and objectives. They are involved in planning, organizing, staffing, directing and controlling. Senior management personnel incorporate organization with environment, balance the interest groups and are responsible for overall results. Middle management staff lies between top management and supervisory management level. Middle level management develops programs for department and perform functions to accomplish corporate goals. The other functions of middle level management are training and development of employees, integrating various parts of the department. Supervisory management is associated with efficiency in using resources of the organization. A supervisor implements policies and procedures making a series of decisions with well-defined and specified grounds.

To summarize, Management is a significant element of organization that coordinates activities and plan for future. It is the practice to develop and maintain the environment in which employees work together in groups, achieve their aims effectively. Important managerial functions include planning, organizing, staffing, directing and controlling which are executed to attain specified objectives of the organization.