

Management

Definition, Nature,
Importance And Functions
of Management



Concept of Management

“ Management is the art of getting things done through and with the people in formally organized groups.”

_ Koontz H.

Management is the process of Planning, Organizing, Staffing, Directing and Controlling to accomplish organizational objectives through the coordinated use of human and material resources.

Nature of Management

- Universality of Management
- Dynamic nature of Principles
- Social Process
- Multidisciplinary
- Management: Science as well as an Art

1. Universality of Management

Principles of management are universal in the sense that these can be applied in different situations e.g. business, government, military, hospitals.

2. Dynamic Nature of Principles

Principles of management are not rigid or static. Rather they change with environment. These are diagnostic and flexible guidelines and are not absolute truth. Continuous research is modifying many golden principles by developing new principles. Nothing is permanent in management.

3. Social Process

Management is done by people, through people and for people. It is social process because it is concerned with interpersonal relations.

4. Multidisciplinary

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

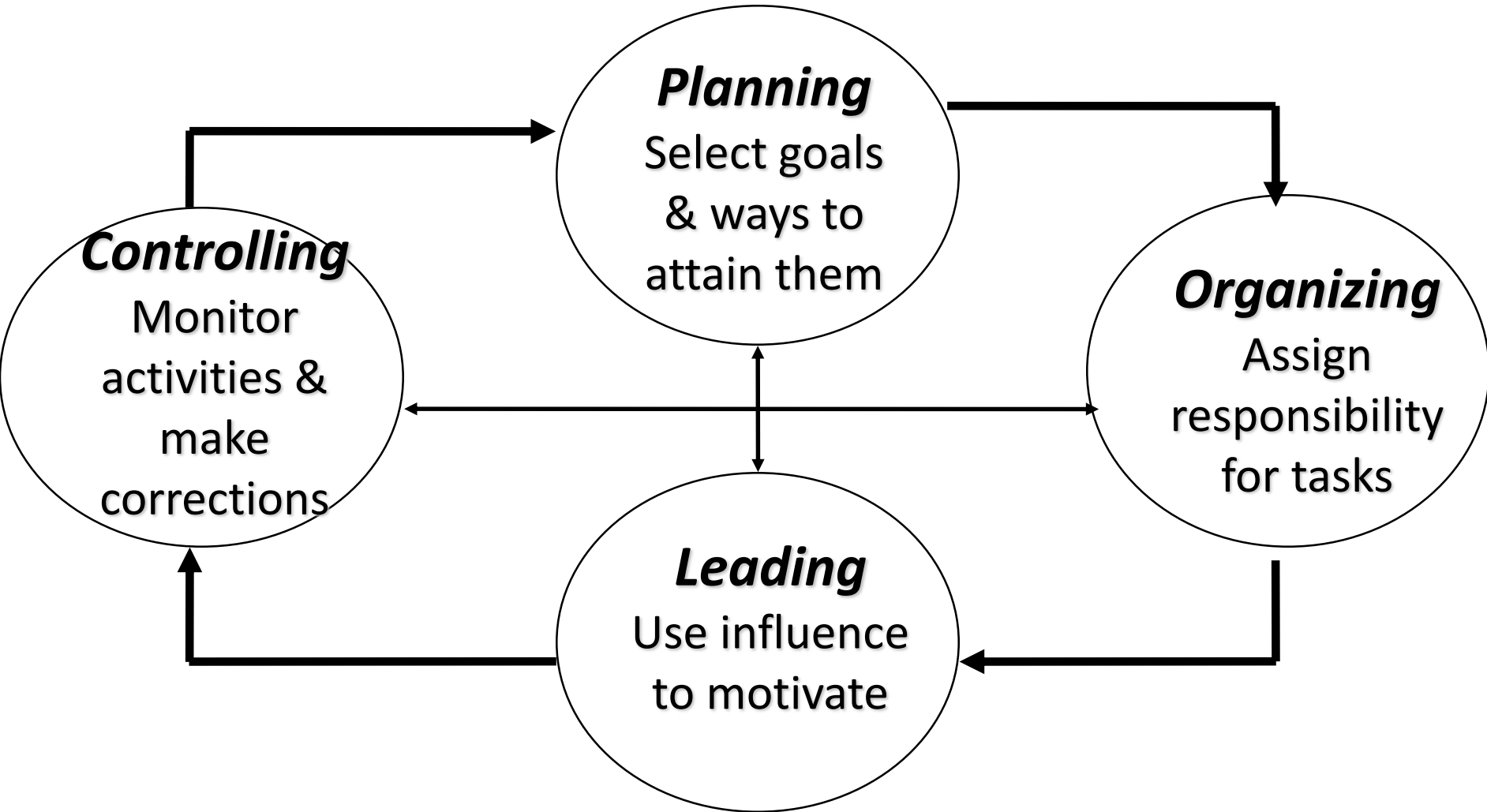
5. Management: Science as well as an Art

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

Importance of Management

- Achievement of Group Goals
- Optimum Utilization of Resources
- Fulfillment of Social Obligations
- Stability
- Human Development

The Four Functions of Management



1. Planning

Planning is the most basic or primary function of management. It is basically deciding in advance, what is to be done; when is to be done and by whom it is to be done.

2. Organizing

After planning, next step is organizing. The process of organizing consists of following steps:

1. Determining and defining activities to achieve goal.
2. Grouping of activities into convenient and logical group.
3. Assigning duties to people at various levels.

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4. Delegating authority to people at different level
5. Defining and fixing responsibility for performance

3. Leading

It consists of :

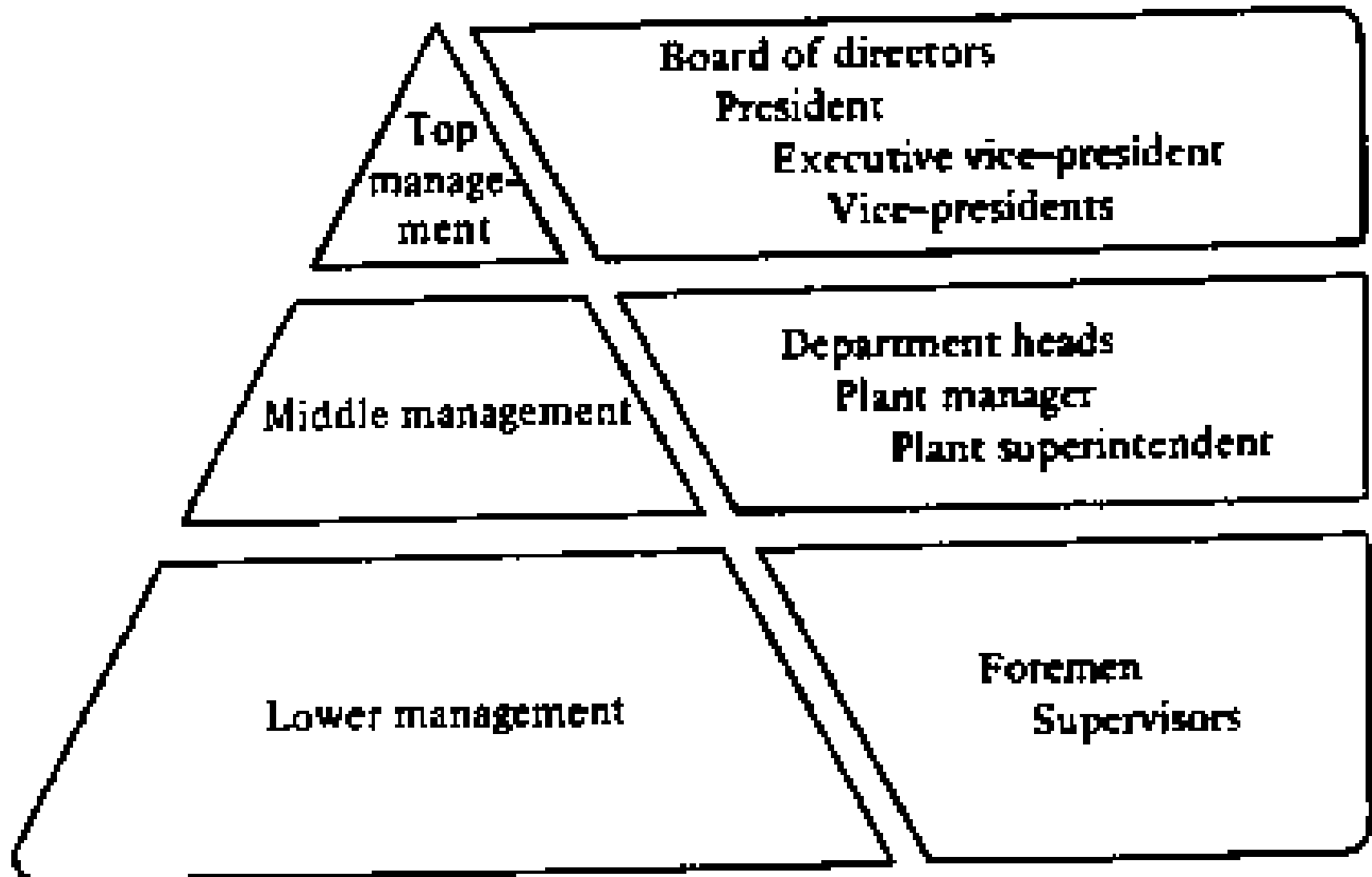
1. Issuing orders and instructions
2. Supervision of Work
3. Motivation i.e. creating willingness to work
4. Communication with employees
5. Leadership or influencing the behavior of employees.

4. Controlling

It consists of:

1. Establishing standards for measurement of performance
2. Measuring performance and comparing with standard
3. Finding reasons for variation among different employee's performance
4. Taking corrective action for attainment of goal

THE MANAGEMENT PYRAMID



Basic types of Management Skills

1. **Technical Skill** – ability to use tools, procedures & techniques in a specialized area.
2. **Human Skill** – ability to work with, understand & motivate people as individual or groups.
3. **Conceptual Skill** – mental ability to coordinate & integrate all of an organization's activities, especially in the long-term decisions affecting the organization. It is needed to see the organization as a whole & recognize how the various factors in a situation are interrelated so actions taken are in the best interests of the organization.