

12th Standard - 1.PRINCIPLES OF MANAGEMENT**I. VERY SHORT ANSWER :****1)What is Management?**

- ✓ Management is goal oriented and it is an art of getting things done with and through others.
- ✓ The practice of management helps to achieve the organizational mission and determines the future of the business enterprises.

2)List out the management tools.

- ✓ Tools of management have been developed such as,
 - ❖ Accounting,
 - ❖ Business law,
 - ❖ Psychology,
 - ❖ Statistics,
 - ❖ Econometrics,
 - ❖ Data processing, etc.

These branches of management profession have enhanced the practical utility of the science of management.

3)Who is a manager?

- ✓ A manager is a dynamic and life giving element in every business.
- ✓ Without efficient management it cannot be secure the best allocation and utilization of human, material and financial resources.
- ✓ According to P. Drucker The manager has to balance and integrate three major jobs of a business enterprise as
 - (i) Managing a business;
 - (ii) Managing manager; and
 - (iii) Managing workers and work.

4)State the meaning of Authority.

This is the issue of commands followed by responsibility for their consequences.

- ✓ Authority means the right of a superior to give the order to his subordinates whereas responsibility means obligation for performance.

5)What do you mean by Span of management?

- The Span of Management refers to the number of subordinates who can be managed efficiently by a superior.

- Simply, the manager having the group of subordinates who report him directly is called as the span of management.

II. SHORT ANSWERS:

6) Define the term management.

“Management is a multipurpose organ that manages a business and manages manager, and manages worker and work.” ----- Peter F. Drucker.

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

7) Is management an Art or Science?

- ❖ There is always a discussion about the nature of management whether it is an Art of doing things or it is a pure Science of getting things done.
- ❖ Management is an in-exact science, because in pure science, the principles are put into test in a laboratory and they are either proved or disproved exactly and precisely.
- ❖ Everyone believes that management is an art. No, it is not an art in Toto. Because, the concept of art denotes the learning of skills and practicing them in the day to day life like a mason or carpenter or mechanic or a musician being able to perform their respective art they learnt by way of skill display before anybody under any circumstances.
- ❖ The art of management is fully reflected in the decision making capacity of a manager. Judgment and imagination are essential even in a computerized economy.
- ❖ A computer cannot replace a manager in decision making.
- ❖ To conclude, Management is neither a science nor an art, but a combination of both requiring people holding managerial positions to apply the scientific management principles and displaying popular managerial skills to accomplish the organizational goals as efficiently and as quickly as possible so as to be competitive in the globalised environment of business.

8) Differentiate management from Administration.

BASIS FOR COMPARISON	MANAGEMENT	ADMINISTRATION
Meaning	An organized way of managing people and things of a business organization is called the Management.	The process of administering an organization by a group of people is known as the Administration.
Authority	Middle and Lower Level	Top level
Role	Executive	Decisive

Concerned with	Policy Implementation	Policy Formulation
Work	Putting plans and policies into actions.	Formulation of plans, framing policies and setting objectives.
Focus on	Managing work	Making best possible allocation of limited resources.
Key person	Manager	Administrator
Represents	Employees, who work for remuneration	Owners, who get a return on the capital invested by them.
Function	Executive and Governing	Legislative and Determinative
Decides	Who will do the work? And How will it be done?	What should be done? And When is should be done?
Applicable to	Profit making organizations, i.e. business organizations.	Government offices, military, clubs, business enterprises, hospitals, religious and educational organizations.

9)What are the principles of Taylor?

Principles of scientific management propounded by Taylor are

- ❖ Science, Not Rule of Thumb
- ❖ Harmony, Not Discord
- ❖ Mental Revolution
- ❖ Cooperation, Not Individualism
- ❖ Development of each and every person to his or her greatest efficiency and prosperity

10)What determines the span of management?

The Span of Management has two implications:

- ❖ Influences the complexities of the individual manager's job
- ❖ Determine the shape or configuration of the Organization.
 - Both these organizational structures have their advantages and the disadvantages. But however the tall organizational structure imposes more challenges
 - Since the span is narrow, which means less number of subordinates under one superior, requires more managers to be employed in the organization. Thus, it would be very expensive in terms of the salaries to be paid to each senior. With more levels in the hierarchy, the communication suffers drastically.
 - It takes a lot of time to reach the appropriate points, and hence the actions get delayed

- Lack of coordination and control because the operating staff is far away from the top management.

PART – D

11) Write about the contribution of Drucker to management.

“Management is a multipurpose organ that manages a business and manages manager, and manages worker and work.” — Peter F. Drucker:

Drucker stresses three jobs of management:

(i) Managing a business;

(ii) Managing manager; and

(iii) Managing workers and work.

- Even if one is omitted, It would not have management anymore and it also would not have a business enterprise or an industrial society.
- According to P. Drucker, the manager has to balance and integrate three major jobs of a business enterprise as mentioned above.
- Hence, a manager is a dynamic and life giving element in every business.
- Without efficient management it cannot be secure the best allocation and utilisation of human, material and financial resources.

12) Explain the management process in detail.

- The substance of management should be identified as a process.
- A process is something that what a person does in the context of his individual duties and responsibilities assigned by his or her immediate higher authority.
- A process also implies ongoing and unceasing cyclical operations.
- In management there is planning-action-control cycle.
- Defining the concept must incorporate this management cycle.
- A process indicates the dynamic nature of management.
- There are twin purposes of the management process:
 - ✓ Maximum productivity or profitability and
 - ✓ Maximum human welfare and satisfaction.
- There are five parts of management as a process:
 - ✓ The co-ordination of resources
 - ✓ The performance of managerial functions as a means of achieving coordination.
 - ✓ Establishing the objective or purpose of management process, i.e., it must be purposeful managerial activity;

- ✓ Management is a social process,
- ✓ Cyclical nature.

❖ **MANAGEMENT IS CO-ORDINATION:**

- The manager of an enterprise must effectively coordinate all activities and resources of the organisation, namely, men, machines, materials and money the four M's of management.

❖ **MANAGEMENT IS A PROCESS:**

- The manager achieves proper coordination of resources by means of the managerial functions of planning, organizing, staffing, directing (or leading and motivating) and controlling.

❖ **MANAGEMENT IS A PURPOSIVE PROCESS:**

- It is directed toward the achievement of predetermined goals or objectives. Without an objective, we have no destination to reach or a path to follow to arrive at our destination, i.e., a goal, both management and organisation must be purposive or goal-oriented.

❖ **MANAGEMENT IS A SOCIAL PROCESS:**

- It is the art of getting things done through other people.

❖ **MANAGEMENT IS A CYCLICAL PROCESS:**

- It represents planning-action-control-replanning cycle, i.e., an ongoing process to attain the planned goals.

13) Describe the principles of scientific management.

Principles of scientific management propounded by Taylor are

- Science, Not Rule of Thumb
- Harmony, Not Discord
- Mental Revolution
- Cooperation, Not Individualism
- Development of each and every person to his or her greatest efficiency and prosperity.

❖ **Science, Not Rule of Thumb:**

- In order to increase organisational efficiency, the 'Rule of Thumb' method should be substituted by the methods developed through scientific analysis of work.
- Rule of Thumb means decisions taken by manager as per their personal judgments.
- According to Taylor, even a small production activity like loading iron sheets into box cars can be scientifically planned.

- This will help in saving time as well as human energy.
- Decisions should be based on scientific enquiry with cause and effect relationships.
- This principle is concerned with selecting the best way of performing a job through the application of scientific analysis and not by intuition or hit and trial methods.
- The work assigned to any employee should be observed and analyzed with respect to each element or part thereof and the time involved therein so as to decide the best way of performing that work and to determine the standard output for same.

❖ Harmony, Not Discord:

- Taylor emphasized that there should be complete harmony between the workers and the management since if there is any conflict between the two, it will not be beneficial either for the workers or the management.
- Both the management and the workers should realize the importance of each other. In order to achieve this state, Taylor suggested complete mental revolution on the part of both management and workers.
- It means that there should be complete change in the attitude and outlook of workers and management towards each other.
- It should always be kept in mind that prosperity for an employer cannot exist for a long time unless it is accompanied by the prosperity of the employees of that organisation and vice versa.
- It becomes possible by
 - (a) Sharing a part of surplus with workers
 - (b) Training of employees,
 - (c) Division of work
 - (d) Team spirit
 - (e) Positive attitude
 - (f) Sense of discipline
 - (g) Sincerity etc.
- Management should always be ready to share the gains of the company with the workers and the latter should provide their full cooperation and hard work for achieving organizational goals.
- This principle requires that there should be perfect understanding between the management and workers and both should feel that they are part of same family.
- It helps to produce synergy effect since both management and workers work in unison.

❖ Mental Revolution:

- The technique of Mental Revolution involves a change in the attitude of workers and management towards each other.
- Both should realize the importance of each other and should work with full cooperation.
- Management as well as the workers should aim to increase the profits of the organisation. For this, the workers should put in their best efforts so that the company makes profit and on the other hand management should share part of profits with the workers.
- Thus, mental revolution requires a complete change in the outlook of both management and workers.
- There should be a spirit of togetherness between workers and management.

❖ Cooperation, Not Individualism:

- This principle is an extension of principle of 'Harmony, not discord' and lays stress on mutual cooperation between workers and the management.
- Cooperation, mutual confidence, sense of goodwill should prevail among both, managers as well as workers.
- The intention is to replace internal competition with cooperation.
- Both 'Management' and 'Workers' should realize the importance of each other.
- Workers should be considered as part of management and should be allowed to take part in decision making process of the management.
- Management should always welcome their suggestions and should also reward them if their suggestions prove to be beneficial for the organisation viz. reduction of costs or increase in production etc...
- Taylor also suggested that there should be proper division of work and responsibility between the two. Management should always guide, encourage and help the workers.

➤ Development of each and every person to his or her greatest efficiency and prosperity:

- Efficiency of any organisation also depends on the skills and capabilities of its employees to a great extent.
- Thus, providing training to the workers was considered essential in order to learn the best method developed through the use of scientific approach.
- To attain the efficiency, steps should be taken right from the process of selection of employees. Employees should be scientifically selected.
- The work assigned to each employee should suit his/her physical, mental and intellectual capabilities.
- Efficient employees produce more to earn more.
- This ultimately helps to attain efficiency and prosperity for both organisation and the employees.

14) Explain the principles of modern management.

Principles of Modern Management The Father of Modern Management is Mr. Henry Fayol, and according to him there are 14 major principles of management which every manager has to practice for the success of the organization.

➤ **Division of Work:**

- According to this principle the whole work is divided into small tasks.
- The specialization of the workforce according to the skills of 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.

➤ **Authority and Responsibility:**

- This is the issue of commands followed by responsibility for their consequences.
- Authority means the right of a superior to give the order to his subordinates whereas responsibility means obligation for performance.

➤ **Discipline:**

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

➤ **Unity of Command:**

- This principle states that each 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 Direction:**

- 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.

➤ **Subordination of Individual Interest to Mutual Interest:**

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

➤ **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.
- **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.
- **Line of Authority/Scalar Chain:**
 - This 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.
- ❖ **Order:**
 - Social order ensures the fluid operation of a company through authoritative procedure.
 - Material order ensures safety and efficiency in the workplace. Order should be acceptable and under the rules of the company.
- ❖ **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, giving equal attention towards all employees.
- ❖ **Stability of Tenure of Personnel:**
 - Stability of tenure of personnel is a principle stating that in order for an organization to run smoothly, personnel (especially managerial personnel) must not frequently enter and exit the organization.
- ❖ **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 organization because it provides new and better ideas.

- Employees are likely to take greater interest in the functioning of the organization.

❖ Esprit de Corps/Team Spirit

- 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.
- Team spirit helps to finish the task on time

15) Discuss the implications of span of management.

❖ Span of management

- The Span of Management refers to the number of subordinates who can be managed efficiently by a superior.
- Simply, the manager having the group of subordinates who report him directly is called as the span of management.

❖ The Span of Management has two implications:

- a) Influences the complexities of the individual manager's job
 - b) Determine the shape or configuration of the Organization
- The span of management is related to the horizontal levels of the organization structure.
 - There is a wide and a narrow span of management. With the wider span, there will be less hierarchical levels, and thus, the organizational structure would be flatter.
 - Whereas, with the narrow span, the hierarchical levels increase, hence the organizational structure would be tall.
 - Both these organizational structures have their advantages and the disadvantages. But however the tall organizational structure imposes more challenges
 - Since the span is narrow, which means less number of subordinates under one superior, requires more managers to be employed in the organization. Thus, it would be very expensive in terms of the salaries to be paid to each senior.
 - With more levels in the hierarchy, the communication suffers drastically. It takes a lot of time to reach the appropriate points, and hence the actions get delayed.
 - Lack of coordination and control because the operating staff is far away from the top management. The major advantage of using this structure is that the cross communication gets facilitated, i.e., operative staff communicating with the top management. Also, the chance of promotion increases with the availability of several job positions.

- In the case of a flatter organizational structure, where the span is wide leads to a more complex supervisory relationship between the manager and the subordinate.
- It will be very difficult for a superior to manage a large number of subordinates at a time and also may not listen to all efficiently.
- However, the benefit of using the wider span of management is that the number of managers gets reduced in the hierarchy, and thus, the expense in terms of remuneration is saved.
- Also, the subordinates feel relaxed and develop their independent spirits in a free work environment, where the strict supervision is absent.

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