

Nature of Management and Its Process

Management:

- A group of people, who accept the responsibility to run an organization and direct its activities, form the management of that organization
- Henry Fayol-“ To manage is to forecast, and to plan, to organize, to command and to co-ordinate”

Types of organizations:

For profit organization	Not for profit organization
Benefit society by creating material and human wealth	Create both material and human wealth but profits are used for charitable purpose

Management performance

Objective of Management is to get things done

- Effectively (Doing things to maintain right standard and quality)
- Efficiently (doing things in the least time and least cost)

Objectives of Management

- Achieving Maximum Output with Minimum Efforts
- Optimum Use of Resources
- Maximum Prosperity
- Human Betterment & Social Justice

Importance of Management

- Achieving Group Goals
- Optimum Utilization of Resources
- Reduces Costs
- Establishes Sound Organization
- Establishes Equilibrium
- Prosperity of Society

Management- Science or an Art

Science	Art
<ul style="list-style-type: none"> • Management is an inexact science because it deals with complex human phenomena about which knowledge is still limited 	<ul style="list-style-type: none"> • The process of management involves the use of knowhow and skills
<ul style="list-style-type: none"> • Management is still a developing science 	<ul style="list-style-type: none"> • It is creative in the sense that it is the function of creating productive situations needed for further improvements
<ul style="list-style-type: none"> • Management is an inter-disciplinary science-it draws freely from other disciplines, such as economics, sociology and psychology 	<ul style="list-style-type: none"> • Management is personalized in the sense that every manager has his own approach to problems

Management as Profession

A field is normally characterized as profession when the following special features are present in it:

- Systematic body of knowledge
- Need for learning and proper organization
- Entry restricted on the basis of examination or education and
- Dominance of service motive

Management Functions

Henry Fayol- "Founder of Modern Management Theory", divided industrial activities into six groups:

- Technical
- Financial
- Accounting
- Commercial
- Security
- Managerial

Divided elements into 5 managerial functions:

- Planning
- Leading
- Controlling
- Organizing
- Directing & Co-ordinating

Luther Gulick- Coined- POSDCORB

- ❖ Planning
- ❖ Organizing
- ❖ Staffing
- ❖ Directing
- ❖ Co-ordinating
- ❖ Reporting
- ❖ Budgeting

