

MANAGEMENT

PRINCIPLES AND APPLICATIONS

UNIT-1

PART-II

NEED FOR MANAGEMENT

Management is needed in every type of business, whether it is small in size or large in size. It is needed to manage economic or non-economic, individual or social, local, regional, national or public problems. It is also needed to manage specific resources and operations such as financial management, personnel management or marketing management. Management has developed as a specialised knowledge and is considered a 'profession'. As a science, management has its own principles and as an art it is concerned with the skill applied in improving business performance. From head of the family to the prime minister of the country, or from the worker to the managing director in a company, everybody is engaged in managing different activities he comes across in discharging his entrusted duties.

CHARACTERISTICS OR FEATURES OF MANAGEMENT

An analysis of the above definitions, reveals the following important features of management:

1. **Management is a Continuous Activity:** There is always a continuous need of the solution of problems and improvements in the business. That is the reason why

management is a continuous process. This activity is going to be complex day-by-day due to the dynamic changes in the size and situations, prevailing in the business.

2. **Management is a Group Activity:** Management is a team work. According to **Koontz O'Donnell**, “.....*Its task is that of getting things done through people.*”

3. **Universal Process** Management involves getting things done through and with the people. Managers perform the same functions regardless of their place in the organisational structure. The techniques and tools of management are universally applicable. A manager can achieve process: he can bring vision, hope, action and achievement for better things of life. Impact upon the achievement is a vital characteristic management.

4. **Management is an Art as well as a Science:** Management is both a science as well as an art. Art is the best way of doing things. Management is also the art of getting the work done through and with people. Art is concerned with the exercise of the know-how for the effective accomplishment of desired results. As a matter of fact, the process of managing is a fine art. A science has been defined as an 'organised knowledge'. A science is a systematic body of knowledge based on certain principles. Management is a social science. The process of management is very much related with the behaviour of people at work and their behaviour cannot be predicted in an exact manner. The science and art of management are complementary. With every improvement in the scientific principles of management, the art of management is bound to improve.

5. **To determine Object:** Management refers to all those activities which are concerned with assembling men, money, materials, machines and methods for the accomplishment of the goal of maximum profit through selling its production. An efficient management tries to achieve its pre-determined objectives with the minimum resources.

6. **Management is a Social Process:** Management aims at optimum utilisation of scarce resources of an organisation for the benefit of the community as a whole. In fact, management is accomplished by, with and through people. The human factor is inseparable from management. All business organisations are social organisations as they are constituted of men. The management has to control, organise and motivate them. It can improve their lives and create a favourable climate for their development.
7. **Related with Human Efforts:** Management is related with human activities. Management is the function of getting things done through people and directing the efforts of individuals towards a common objective. In the words of Koontz O'Donnell, "Perhaps there is no important area of human activity other than management, since its task is that of getting things done through people."
8. **Management is a Profession:** In present days, with the separation of management from ownership, it is being taken as a profession. Management is a well-defined body of knowledge and requires formal training for new entrants. It has various representative bodies and the entrants are joining it as a career with the aim of serving the society, not for money making alone. A growing tendency in modern business is to have professionally qualified managers. Studies have shown that a trained manager generally performs better than his untrained counterpart.
9. **Management is a Hierarchy of Authority:** In an organisation there are different levels of management. Each lower level of management gets some rights from the higher level of management and is responsible towards them resulting in the formation of a management structure.
10. **Economic Resource or a Factor of Production:** Management is an economic resource or a factor of production just like land, labour, capital and enterprise. Economic development of a country is not at all possible in the absence of efficient management.

11. **Rational Process:** Management is concerned with planning, directing, controlling so that economic use of resources can be made. Management deals with the achievement of some clearly defined objectives. Group efforts are directed to achieve pre-determined objectives. The purpose of manufacturing enterprise is to profitably manufacture appealing products for customers. For this purpose, management organises, plans, directs and controls an enterprise. In other words, management is a rational process.
12. **Management is an Integrated Process:** Management integrates human efforts with physical and financial resources. It creates mutual co-operation so that people can work together efficiently. It also combines men, money, materials and machinery in an appropriate manner.
13. **Management is Activity Based:** Essentially, the task of managing is known as management. Management is a distinct class of activities about which knowledge can be gained and skill, in its application acquired. It is basically a series of inter-related activities.
14. **Management is Intangible:** Management is an unseen force. Its functioning is not visible but its results are apparent. People judge the effectiveness of management on the basis of the end results although they cannot observe it during operation. However, the people who manage an organisation are tangible and visible.
15. **Management is Creative:** Management involves creating an environment wherein people can perform their tasks efficiently and effectively. The internal environment has to change appropriately when there are changes in the internal environment.
16. **Management is Multi-disciplinary:** Management has grown with the help of knowledge drawn from various disciplines like Sociology, Economics, Psychology and Anthropology. Much of the management literature is the result of the application of these social sciences.

17. **Management is a Dynamic Discipline:** Management's a creator rather than a creation of the economy. It is a dynamic and growth-oriented function. Management is not just passive but adaptive behaviour. It means taking action to make the desired results to come to pass. Principles, techniques, methods and skill of management are changing over a period of time.

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