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NATURE AND SIGNIFICANCE OF MANAGEMENT

Definitions of Management

"Management is the process of designing and maintaining an environment in which individuals, working together in groups, efficiently accomplish selected aims."

Harold Koontz and Heinz Weihrich

"Management is defined as the process of planning, organising, actuating and controlling an organisation's operations in order to achieve coordination of the human and material resources essential in the effective and efficient attainment of objectives."

Robert L. Trewelly and M. Gene Newport

"Management is the process of working with and through others to effectively achieve organisational objectives by efficiently using limited resources in the changing environment."

Kreitner

Characteristics of Management

After going through some of the definitions we find some elements that may be called the basic characteristics of management:

(i) Management is a goal-oriented process: An organisation has a set of basic goals which are the basic reason for its existence. These should be simple and clearly stated. Different organizations have different goals. For example, the goal of a retail store may be to increase sales, but the goal of The Spastics Society of India is to impart education to children with special needs. Management unites the efforts of different individuals in the organisation towards achieving these goals.

(ii) Management is all pervasive: The activities involved in managing an enterprise are common to all organisations whether economic, social or political. A petrol pump needs to be managed as much as a hospital or a school. What managers do in India, the USA, Germany or Japan is the same. How they do it may be quite different. This difference is due to the differences in culture, tradition and history.

(iii) Management is multidimensional: Management is a complex activity that has three main dimensions. These are:

(a) Management of work: All organisations exist for the performance of some work. In a factory, a product is manufactured, in a garment store a customer's need is satisfied

and in a hospital a patient is treated. Management translates this work in terms of goals to be achieved and assigns the means to achieve it. This is done in terms of problems to be solved, decisions to be made, plans to be established, budgets to be prepared, responsibilities to be assigned and authority to be delegated.

(b) Management of people: Human resources or people are an organisation's greatest asset. Despite all developments in technology "getting work done through people" is still a major task for the manager. Managing people has two dimensions

(i) it implies dealing with employees as individuals with diverse needs and behavior;

(ii) it also means dealing with individuals as a group of people. The task of management is to make people work towards achieving the organisation's goals, by making their strengths effective and their weaknesses irrelevant.

(c) Management of operations: No matter what the organisation, it has some basic product or service to provide in order to survive. This requires a production process which entails the flow of input material and the technology for transforming this input into the desired output for consumption. This is interlinked with both the management of work and the management of people.

(iv) Management is a continuous process: The process of management is a series of continuous, composite, but separate functions (planning, organising, directing, staffing and controlling). These functions are simultaneously performed by all managers all the time. You may have observed that Suhasini at Fabmart performs several different tasks in a single day. Some days she may spend more time in planning a future exhibition and on another day she may spend time in sorting out an employee's problem. The task of a manager consists of an ongoing series of functions.

(v) Management is a group activity: An organisation is a collection of diverse individuals with different needs. Every member of the group has a different purpose for joining the organisation but as members of the organisation they work towards fulfilling the common Organizational goal. This requires team work and coordination of individual effort in a common direction. At the same time management should enable all its members to grow and develop as needs and opportunities change.

(vi) Management is a dynamic function: Management is a dynamic function and has to adapt itself to the changing environment. An organisation interacts with its external environment which consists of various social, economic and political factors. In order to be successful, an organisation must change itself and its goals according to the needs of the environment. You probably know that McDonalds, the fast food giant made major changes in its menu to be able to survive in the Indian market.

(vii) Management is an intangible force: Management is an intangible force that cannot be seen but its presence can be felt in the way the organisation functions. The effect

of management is noticeable in an organisation where targets are met according to plans, employees are happy and satisfied, and there is orderliness instead of chaos.