

CONTENTS

| | |
|----------------|--------------------|
| <i>Preface</i> | PAGE <i>I-5</i> |
|----------------|--------------------|

1

MANAGEMENT : CONCEPT AND NATURE

| | | |
|-------------|---|-----------|
| 1.1 | Introduction | <i>1</i> |
| 1.2 | Concept of Management | <i>2</i> |
| 1.3 | Features of Management | <i>3</i> |
| 1.4 | Objectives of Management | <i>4</i> |
| 1.5 | Importance of Management | <i>5</i> |
| 1.6 | Aspects of Management | <i>7</i> |
| 1.7 | Nature of Management | <i>12</i> |
| 1.8 | Professionalisation of Management | <i>18</i> |
| 1.9 | Justification of Professionalisation | <i>21</i> |
| 1.10 | Management and Administration | <i>22</i> |
| 1.11 | Levels of Management | <i>24</i> |
| 1.12 | Diagrammatic Representation of Levels of Management | <i>27</i> |
| 1.13 | Managerial Skills | <i>27</i> |
| 1.14 | Management Process/Management Functions | <i>28</i> |
| 1.15 | Management Principles | <i>33</i> |
| 1.16 | Role of Managers | <i>37</i> |
| 1.17 | Functional Areas of Management | <i>39</i> |

2

EVOLUTION OF MANAGEMENT THOUGHT

| | | |
|------------|------------------------------------|-----------|
| 2.1 | Introduction | <i>49</i> |
| 2.2 | Management Theories | <i>50</i> |
| 2.3 | Pre-Scientific Management Theories | <i>50</i> |

| | PAGE |
|--|------|
| 2.4 Classical Theory | 51 |
| 2.5 Taylor's Scientific Management Theory | 52 |
| 2.6 Henri Fayol's Classical Organisation Theory (Management Process Theory) | 55 |
| 2.7 Weber's Bureaucracy Theory | 60 |
| 2.8 Behavioural Theory | 62 |
| 2.9 Human Relations Theory | 63 |
| 2.10 Behavioural Science Theory | 66 |
| 2.11 Modern Management Theory | 68 |
| 2.12 Quantitative Theory | 69 |
| 2.13 Systems Theory | 73 |
| 2.14 Contingency Theory | 76 |
| 2.15 Operational Theory | 79 |

3**FUNDAMENTALS OF PLANNING**

| | |
|---|-----|
| 3.1 Introduction | 82 |
| 3.2 Meaning of Planning | 83 |
| 3.3 Features of Planning | 83 |
| 3.4 Importance/Objectives of Planning | 85 |
| 3.5 Limitations of Planning | 86 |
| 3.6 Ways to Overcome Limitations | 88 |
| 3.7 Process of Planning | 89 |
| 3.8 Planning Premises | 90 |
| 3.9 Principles of Planning | 91 |
| 3.10 Features of a Good Plan | 92 |
| 3.11 Types of Plans | 93 |
| 3.12 Classification on the Basis of Levels in the Organisation | 94 |
| 3.13 Classification on the Basis of Use | 95 |
| 3.14 Classification on the Basis of Time | 110 |
| 3.15 Classification on the Basis of Functional Areas | 111 |

4**DECISION MAKING**

| | |
|-------------------------|-----|
| 4.1 Introduction | 115 |
|-------------------------|-----|

Contents**I-9**

| | PAGE |
|--|------|
| 4.2 Meaning of Decision-Making | 115 |
| 4.3 Features of decision-Making | 116 |
| 4.4 Situations for Decision-Making | 117 |
| 4.5 Decision-Making and Planning | 118 |
| 4.6 Process of Decision-Making | 118 |
| 4.7 Types of Decisions | 121 |
| 4.8 Approaches to Decision-Making | 123 |
| 4.9 Techniques of Decision-Making | 125 |
| 4.10 Models of Decision-Making | 129 |
| 4.11 Information Technology and Decision-Making | 131 |
| 4.12 Management Information System | 132 |
| 4.13 Decision Support System | 134 |

5**FUNDAMENTALS OF ORGANISING**

| | |
|---|-----|
| 5.1 Meaning of Organisation | 137 |
| 5.2 Nature of Organisation | 139 |
| 5.3 Process of Organising | 140 |
| 5.4 Importance of Organising | 141 |
| 5.5 Elements of Organising | 142 |
| 5.6 Span of Management | 143 |
| 5.7 Principles of Organising | 146 |
| 5.8 Formal and Informal Organisation | 148 |
| 5.9 Formal Organisation | 149 |
| 5.10 Features of a Formal Organisation | 149 |
| 5.11 Merits of Formal Organisation | 150 |
| 5.12 Limitations of Formal Organisation | 150 |
| 5.13 Informal Organisation | 151 |
| 5.14 Features of Informal Organisation | 151 |
| 5.15 Merits of Informal Organisation | 152 |
| 5.16 Limitations of Informal Organisation | 153 |
| 5.17 Linking Formal and Informal Relationships on the Organisation Chart | 154 |
| 5.18 Differences between Formal and Informal Organisations | 154 |
| 5.19 Integration of Formal and Informal Organisations | 156 |

6**TYPES OF ORGANISATION STRUCTURE**

| | | |
|------------|--|-----|
| 6.1 | Organisation Structure | 159 |
| 6.2 | Mechanistic and Organic Structures | 160 |
| 6.3 | Factors affecting Organisation Structure | 160 |
| 6.4 | Organisation Formats | 164 |
| 6.5 | Classical Organisational Formats | 164 |
| 6.6 | Contemporary Organisational Formats | 173 |

7**AUTHORITY AND RESPONSIBILITY**

| | | |
|-------------|---|-----|
| 7.1 | Introduction | 183 |
| 7.2 | Meaning of Authority | 184 |
| 7.3 | Features of Authority | 184 |
| 7.4 | Sources of Authority | 184 |
| 7.5 | Types of Authority | 187 |
| 7.6 | Limitations of Authority | 188 |
| 7.7 | Power | 188 |
| 7.8 | Sources of Power | 189 |
| 7.9 | Authority and Power | 189 |
| 7.10 | Distinction between Authority and Power | 190 |
| 7.11 | Responsibility | 190 |
| 7.12 | Authority and Responsibility | 191 |
| 7.13 | Parity between Authority and Responsibility | 191 |
| 7.14 | Accountability | 191 |

8**DELEGATION AND DECENTRALISATION**

| | | |
|------------|-------------------------------------|-----|
| 8.1 | Introduction | 193 |
| 8.2 | Meaning of Delegation | 194 |
| 8.3 | Features of Delegation | 194 |
| 8.4 | What should/should not be Delegated | 195 |
| 8.5 | Process of Delegation | 195 |
| 8.6 | Forms of Delegation | 196 |

Contents

I-11

| | PAGE |
|---|-------------|
| 8.7 Importance of Delegation | 196 |
| 8.8 Principles of Delegation | 197 |
| 8.9 Elements of Delegation | 198 |
| 8.10 Barriers to Delegation | 199 |
| 8.11 Overcoming Barriers to Delegation | 200 |
| 8.12 Centralisation and Decentralisation | 201 |
| 8.13 Decentralisation | 202 |
| 8.14 Importance of Decentralisation | 202 |
| 8.15 Limitations of Decentralisation | 203 |
| 8.16 Factors Affecting Decentralisation | 203 |
| 8.17 Differences between Delegation and Decentralisation | 205 |
| 8.18 Degree of Decentralisation | 206 |

9

DIRECTION AND SUPERVISION

| | |
|--|------------|
| 9.1 Meaning of Direction | 209 |
| 9.2 Nature of Direction | 210 |
| 9.3 Importance of Direction | 211 |
| 9.4 Principles of Direction | 212 |
| 9.5 Components of Direction | 214 |
| 9.6 Direction and People | 214 |
| 9.7 Meaning of Supervision | 217 |
| 9.8 Functions of a Supervisor | 218 |
| 9.9 Supervisor's Role in Management | 219 |
| 9.10 Objectives of Supervision | 219 |
| 9.11 Methods of Supervision | 220 |
| 9.12 Qualities of a Supervisor | 220 |

10

CO-ORDINATION

| | |
|---|------------|
| 10.1 Co-ordination | 222 |
| 10.2 Features/Nature of Coordination | 223 |
| 10.3 Elements of Coordination | 224 |
| 10.4 Importance/Need for Coordination | 224 |
| 10.5 Limitations in Achieving Coordination | 226 |

I-12***Business Management***

| | PAGE |
|---|------|
| 10.6 Types of Coordination | 227 |
| 10.7 Techniques of Coordination | 229 |
| 10.8 Principles of Coordination | 231 |
| 10.9 Coordination and Cooperation | 232 |
| 10.10 Coordination-The Essence of Management | 233 |

11**LEADERSHIP**

| | |
|--|-----|
| 11.1 Meaning | 235 |
| 11.2 Nature of Leadership | 236 |
| 11.3 Importance of Leadership/Functions of a Leader | 236 |
| 11.4 Leadership Styles | 237 |
| 11.5 Management and Leadership | 242 |
| 11.6 Theories of Leadership | 242 |
| 11.7 Effective Leadership | 248 |
| 11.8 Qualities of a Leader | 248 |

12**MOTIVATION**

| | |
|--------------------------------------|-----|
| 12.1 Meaning | 251 |
| 12.2 Model of Motivation | 252 |
| 12.3 Motivators | 252 |
| 12.4 Nature of Motivation | 254 |
| 12.5 Importance of Motivation | 255 |
| 12.6 Effective Motivation | 256 |
| 12.7 Theories of Motivation | 256 |
| 12.8 Need-Hierarchy Theory | 257 |
| 12.9 Two-factor Theory | 260 |
| 12.10 Theory X and Theory Y | 264 |
| 12.11 Theory Z | 267 |
| 12.12 Motivation and Morale | 270 |

13**COMMUNICATION**

| | |
|--------------------------------------|-----|
| 13.1 Meaning of Communication | 273 |
|--------------------------------------|-----|

Contents

I-13

| | PAGE |
|--|------|
| 13.2 Nature of Communication | 274 |
| 13.3 Importance of Communication | 274 |
| 13.4 Process of Communication | 276 |
| 13.5 Channels of Communication | 278 |
| 13.6 Rumours | 283 |
| 13.7 Distinction between Formal and Informal Communication Channels | 284 |
| 13.8 Dimensions of Communication | 284 |
| 13.9 Depicting Channels of Communication on the Organisation Chart | 290 |
| 13.10 Medium of Communication | 290 |
| 13.11 Communication Barriers | 295 |
| 13.12 Causes of Communication Barriers | 295 |
| 13.13 Overcome Barriers to Communication | 299 |
| 13.14 Effective Communication | 301 |

14

FUNDAMENTALS OF CONTROLLING

| | |
|--|-----|
| 14.1 Meaning of Control | 304 |
| 14.2 Nature of Control | 305 |
| 14.3 Importance of Control | 306 |
| 14.4 Relationship between Planning and Control | 307 |
| 14.5 Types of Control | 308 |
| 14.6 Control Process | 310 |
| 14.7 Management or Control by Exception | 312 |
| 14.8 Resistance to Control | 313 |
| 14.9 Ways to Overcome Resistance to Control | 314 |
| 14.10 Essentials of an Effective Control System | 315 |

15

TECHNIQUES OF CONTROL

| | |
|---|-----|
| 15.1 Introduction | 317 |
| 15.2 Techniques of Control | 317 |
| 15.3 Traditional Techniques of Control | 318 |
| 15.4 Modern Techniques of Control | 324 |