

**QUESTION1.** Define management.

**Answer -** According to Harold Koontz, "Management is an art of getting things done through others and with formally organised groups." Management is the coordination of all resources through the process of planning, organising, directing, staffing and controlling in order to attain stated objectives effectively and efficiently.

**QUESTION2.** Name any two important characteristics of management.

**Answer -** Characteristics of management are as follows:

1. Goal Oriented: Management aims at achieving organisational objectives by uniting the efforts of different individuals in an organisation towards common goal.
2. Pervasive: Management is universal. It is applicable in profit making, non-profit making, business or non-business organisations.

**QUESTION3.** Ritu is the manager of the northern division of a large corporate house. At what level does she work in the organisation? What are her basic functions?

**Answer -** Ritu works at 'Middle level'. She is a link between top and lower level managers. Her primary role is to implement and control plans and strategies developed by top management. Her basic functions are:

1. Interpretation of policies framed by top level management.
2. Organising the activities of her department for executing the plans and policies.
3. Recruiting/selecting and appointing the required employees for her department.
4. Assigning necessary duties and responsibilities to the employees.
5. Motivating employees to perform the best of their ability.

**Question4.** Why management is considered a multi-faceted concept?

**Answer -** Management is a complex activity that has three main dimensions namely management of work, management of people and management of operations.

1. Management of work: Management translates the work in terms of goals to be achieved and assigns the means to achieve it.
2. Management of people: Managing people has two dimensions, dealing with employees as individuals with diverse needs and behaviour and dealing with individuals as group of people.
3. Management of operations: It is interlinked with both management of work and management of people.

**Question5.** Discuss the basic features of management as a profession.

**Answer -** Features of management as a profession are:

1. Management is based on a systematic body of knowledge comprising well defined principles based on variety of business situations.
2. No restriction on anyone being designated or appointed as manger in any business enterprise.

A profession has following characteristics:

1. Well defined body of knowledge.
2. Restricted entry.
3. Professional association.
4. Ethical code of conduct.
5. Service motive.

## Long Answer Type

**Question 1.** Management is considered to be both art and science. Explain.

**Answer -** Art means personal application of knowledge and skills for the achievement of desired goals. Management can be regarded as an art if it fulfils following characteristics of art:

1. Theoretical body of knowledge: Systematic theoretical knowledge is required for every art. Every artist has to follow certain principles and guidelines at the time of performance.
2. Personal Skills: In art every artist has his own styles and ways of performing. Similarly, every manager has his own ways of decision making and getting the work done.
3. Practice and creativity based: For being a good artist a person has to practice a lot and for becoming different from others he has to be more creative and innovative in his expressions.

Science is a systematic body of knowledge pertaining to a specific field of study which establishes cause and effect relationship. Management to be regarded as science needs to satisfy following characteristics of science:

1. Existence of systematised body of knowledge: In science, organised and systematic study is available which is used to acquire the knowledge of science. Similarly, in management also there is availability of systematic and organised study material. It has its own set of basic principles and concepts.
2. Use of scientific methods of observation: Science performs logical observation before deriving any principle or theory. Continuous observations and experiments have helped in development of management knowledge.
3. Cause and effect relation: Scientific principles are based on cause and effect relationship. Similarly, management principles establish a cause and effect relationship between various factors.
4. Universal validity of principles: Scientific principles have universal application and validity. Fundamental principles of management have universal applicability, but unlike science the degree of their applicability differs as they deal with human beings.

**Question 2.** Do you think management has the characteristics of a full-fledged profession?

**Answer -** A profession has the following characteristics:

1. Well defined body of knowledge.
2. Restricted entry.
3. Professional association.
4. Ethical code of conduct.
5. Service motive.

Management does not meet the exact criteria of a profession. However it does have some of the features of management:

1. Management is based on a systematic body of knowledge comprising well defined principles based on variety of business situations.
2. No restriction on anyone being designated or appointed as manager in any business enterprise. But professional knowledge and training is considered to be a desirable qualification.
3. There are several associations of practicing managers such as AIMA that has laid down a code of conduct to regulate activities of their members.
4. Service motive: Like other professional managers are expected to serve the society rather than simply earning profits for the owners.

**Question3.** Coordination is the essence of management. Do you agree? Give reasons.

**Answer -** Yes, coordination is indeed the essence of management. Coordination is the process by which a manager synchronises the activities of different departments. It is the force that binds all the other functions of management. It begins right from the stage of planning where we goals and objectives are set for the organisation. It is then required between stage of planning and staffing so that right kind of people are hired for the execution of plan. The function of directing and controlling must be coordinated with each other so as to realise the achievement of desired goals.

The importance of coordination can be highlighted from following points:

1. Integrates group activity: Coordination gives a focus to group effort to ensure that performance is as it was planned and scheduled.
2. All pervasive function: It is important and it exists at all the levels of management. It integrates the efforts of different departments at different levels.
3. Responsibility of all managers: It is a function which is performed by every manager as a responsibility.
4. Promotes unity of action: Coordination acts as a binding force among departments and ensures that all action is aimed at achieving the goals of the organisation.
5. Continuous process: Coordination is not a one-time function but a continuous process. It starts at the time of planning and continues till controlling.

**Question4.** "A successful enterprise has to achieve its goals effectively and efficiently." Explain.

**Answer -** Effectiveness means completing the given task in the required time. In other words, it means doing the right things with focus on the end result. It is very important as it helps in reaching the goals. Efficiency on the other hand, means completing the task with minimum possible cost and resources. Efficiency is said to increase if greater benefits are achieved using lesser resources or even same benefits can be derived on cutting down on resources. For an organisation, both effectiveness and efficiency is required to achieve desired goals. Being effective means achieving goals whereas being efficient will reduce the cost. For example, to complete the given task if manager employs more people, then the cost of completion will be more but the work will be completed on time. On the other hand if the work is continued to be done by existing people, than it may not be completed in the given time frame. Therefore, it is necessary to maintain a balance between effectiveness and efficiency.

**Question5.** Management is a series of continuous interrelated functions. Comment.

**Answer -** Management is defined as the process of planning, organising, actuating, and controlling an organisation's operations to achieve coordination of human and material resources essential in effective and efficient attainment of objectives. Various functions of management are:

1. Planning: It involves thinking in advance what and how the work is to be done in future. It anticipates opportunities and threats in the environment.
2. Organising: It is a process of bringing together physical, financial and human resources and establishing productive relations among them for the achievement of specific goals.
3. Directing: It is regarded as the management in action because it puts plans into action for the achievement of organisational objectives.
4. Staffing: It may be defined as the managerial function of hiring and developing the required personnel to fill in various positions in the organisation. Staffing injects into the organisation which is otherwise an empty shell of job positions
5. Controlling: It is the process of comparing the actual performance with the standards and taking corrective action, if required.

**Multiple Choice:**

**Question 1.** Which is not the function of management of the following?

**Answer** - c) cooperating.

**Question 2.** Management is

1. An art.
2. A science.
3. Both art and science.
4. Neither

**Answer** - c) both art and science.

**Question 3.** The following is not an objective of management

1. Earning profits.
2. growth of the organisation
3. Providing employment.
4. Policy making.

**Answer** - d) policy making.

**Question 4.** Policy formulation is the function of

1. Top managers.
2. Middle level managers.
3. Operational managers.
4. All of the above.

**Answer** - a) top managers.

**Question 5.** Coordination is

1. Function of management.
2. The essence of management.
3. An objective of management.
4. None of the above.

**Answer** - b) the essence of management.

## Case Studies

**Question1.** Company X is facing a lot of problems these days. It manufactures white goods like washing machines, microwave ovens, refrigerators and air conditioners. The company's margins are under pressure and the profits and market share are declining. The production department blames marketing for not meeting sales targets and marketing blames production department for producing goods, which are not of good quality meeting customers' expectations. The finance department blames both production and marketing for declining return on investment and bad marketing. What quality of management do you think the company is lacking? Explain briefly. What steps should the company management take to bring the company back on track?

**Answer -** The quality that is lacking in management is coordination. Various departments blame each other for declining profits and market share. Coordination is the force that binds all the other functions of management. It is required at every stage of management. Steps the management should take to bring the company back on track are:

1. Production department should focus on quality of the goods.
2. Sales department should focus more on customer satisfaction.
3. All the departments shall be motivated to focus on organisational goals.
4. All the departments shall cooperate and coordinate for achieving the objectives effectively and efficiently.

**Question2.** A company wants to modify its existing product in the market due to decreasing sales. You can imagine any product about which you are familiar. What decisions/ steps should each level of management take to give effect to this decision?

**Answer -** To modify the existing product line, different levels of management are required to take different decisions. These are:

1. Top level management: It consists of CEO, CFO, president and vice president. They are required to formulate overall organisational goals and strategies, formulate policies and procedures.
2. b) Middle level management: They are responsible for implementing the policies framed by top management, interpret the policies, ensure that departments has the necessary personnel, etc.
3. Operational level management: Their responsibility is limited according to the policies drawn by top management. They must give proper instructions to workers, ensure the right quality in work, and motivate workers to work towards achievement of common objectives.

**Question3.** A firm plans in advance and has a sound organisation structure with efficient supervisory staff and control system. On several occasion it finds that plans are not being adhered to. It leads to confusion and duplication of work. Advise remedy.

**Answer -** The aspect that is missing in the firm is coordination. Coordination is the force that binds all the other functions of management. .

1. It begins right from the stage of planning where we goals and objectives are set for the organisation till controlling to realise the achievement of desired goals.
2. Inter department conflicts must be avoided and proper direction must be provided to all the departments.
3. Coordination is the main requirement to avoid confusion and duplication of work.