



# NSCET E-LEARNING PRESENTATION

**LISTEN ... LEARN... LEAD...**





# Computer Science Engineering

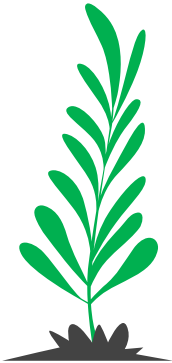
IV YEAR / VII<sup>th</sup> SEMESTER

**MG8591-Principles of management**

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**UNIT-I**  
**INTRODUCTION TO**  
**MANAGEMENT AND**  
**ORGANIZATIONS**



# Lecture-1 Definition of Management

- Management is the coordination and administration of tasks to achieve a goal.
- Such administration activities include setting the organization's strategy and coordinating the efforts of staff to accomplish these objectives through the application of available resources.
- Management can also refer to the seniority structure of staff members within an organization.

# Lecture-1 Definition of Management



# Lecture-1 Definition of Management

## **Nature and characteristics of Management**

- It is a separate/Social process.
- It is an organized activity/Group activity.
- It is an Integrating process.
- It aims at the accomplishment of predetermined objectives.
- It applies Economic Principles
- Universality of Management

# Lecture-1 Definition of Management

## **Scope of Management**

- Financial Management
- Production Management
- Marketing Management
- Maintenance Management
- Transport Management

# Lecture-1 Definition of Management

## **Objectives of management**

- Getting maximum results with minimum efforts
- Increasing the efficiency of factors of production
- Maximum prosperity for employer and employees
- Human betterment & social justice
- Reduce costs
- Establishes Equilibrium
- Establishes sound organizations



# Lecture-2 Science or art

- Management is a science because it contains general principles.
- It is also an art because it requires certain personal skills to achieve desired results.

## **Management vs Administration**

- Administration is above management
- Administration is a part of management
- Administration and management are the same

# Lecture-2 Science or art

## **As An art**

- Based on Practice and creativity.
- It is a theoretical body of knowledge.
- Has Personalized Application.

## **As an science**

- Based on Experimentation.
- It is a systematized body of knowledge.
- Has Universal Application.

# Lecture-2 Science or art

## **Comparison :Management as science of art**

### **Management as Science:**

- In management, there is availability of systematic and organized study material.
- Management principles are based on repeated experiments.
- Managers test and experiment managerial principles under different conditions in different organizations.

# Lecture-2 Science or art

## **Management as art:**

- Use of theoretical knowledge in personal way. Regular practice and creativity indicate art. Management is an art because of: a) The process of management involves the use of know-how and skills .
- The process of management is directed towards the accomplishment of concrete results
- Management is personalized in the sense that every manager has own approach to problems

# Lecture-2 Science or art

## **Management as art and science**

- Management is a distinct process consisting of Planning, Organizing, Directing and Controlling
- As a process management consists of three aspects
- Social Process
- Integrating Process
- Continuous Process

# Lecture-2 Science or art

- Management as an Activity
- Management as an Profession
- Management as a Discipline
- Management as a Group

# Lecture 3-Manager Vs Entrepreneur

- Entrepreneurs and professional managers are the two sides of the coin.

## **Manager**

- A manager is someone who coordinates and oversees the work of other people in order to accomplish organizational goals.
- Manager job is not about personal achievements.
- Its about helping others do their work. i.e Coordinating the work of a departmental group.

# Lecture 3-Manager Vs Entrepreneur

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# Lecture 3-Manager Vs Entrepreneur

## Who are Entrepreneur ?

- An entrepreneur (Owner of organization) is a person , who is motivated to satisfy a high need for achievement in innovative and creative activities.
- Similarities between Managers and Entrepreneurs
- To produce results
- To produce results through people
- To take decisions
- To cooperate under constraints
- To follow sound principles of management

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# Lecture 3-Manager Vs Entrepreneur

<b>Characteristic</b>	<b>Entrepreneur</b>	<b>Manager</b>
Behaviour Characterized by Management Style	Desire for Control	Delegation of Authority
Driving Force	One-Man Show	Management Team
Organizational Growth	Creativity - Innovation	Establish and Preserve the Status Quo
Organization Structure	Rapid Reaction	Strategic Planning
Decision-Making	Informal, Flexible	Organized
Definition of Aims	Intuitive	Collect Information and Seek Advice
Attitude to Money	In terms of "Vision"	In Commercial Terms
Attitude to Risk	A By-Product	Measure of Success
Organizational Culture	Calculated Risks	Avoidance of Risks
	"Entrepreneurial Culture"	"Management Culture"

# Lecture4- Types of Manager

- Top level Management
- Low level Management
- Middle level Management

# Lecture4- Types of Manager

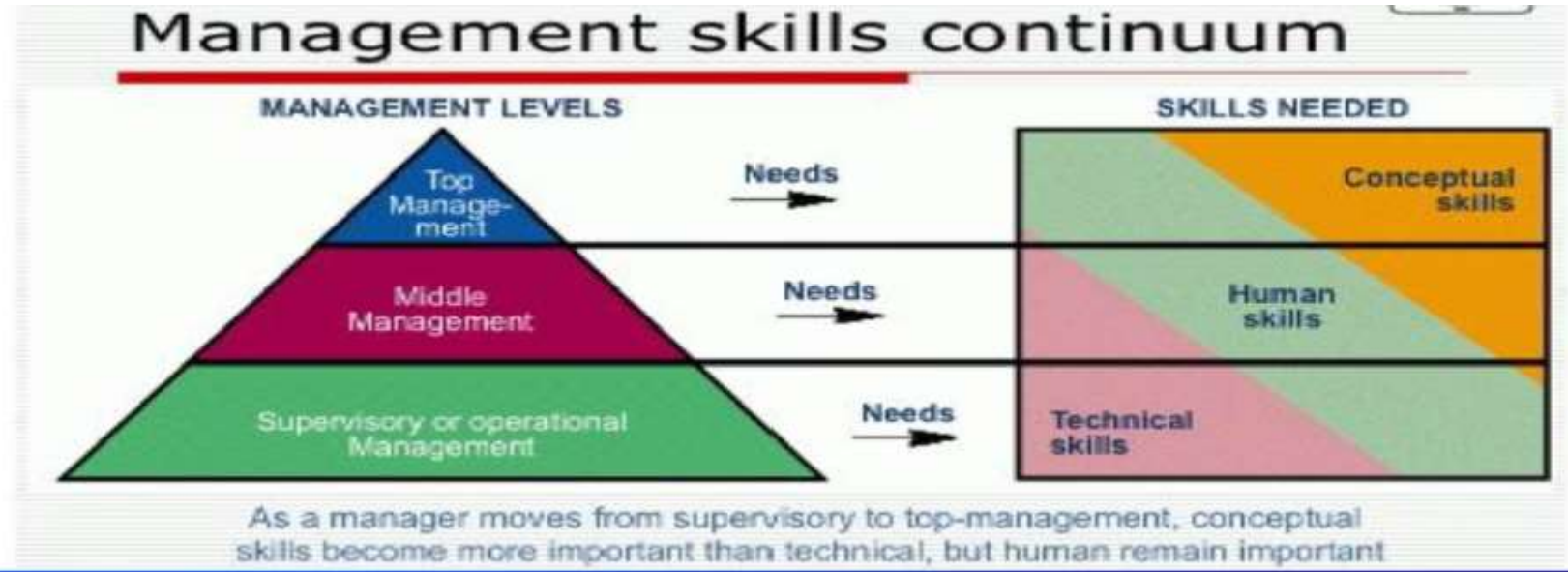


# Lecture4- Types of Manager

## WHAT MAKE MANAGERS SUCCESSFUL?

- Hard work
- Smart work
- Patience
- Out of box thinking
- Reading and acquiring knowledge
- Ethical consciousness
- Collaborative relationship
- Perseverance

# Lecture4- Managerial Skills



# Lecture4- Manager roles

- Interpersonal roles
- Informational roles
- Decisional roles

## **Importance of Management**

- Attainment of group goals
- Effective functioning of business
- Resource development
- Management controls the organization
- Sound organization structure



# Lecture4- Manager roles

- Integrates individual efforts
- Motivation
- Communication
- Coordination
- Decision making
- Leadership quality
- Management is needed at all levels.

# Lecture 5-Evolution of Management

- Prescientific or pre classical management period
- Classical Theory
- Neo classical Theory or Behaviour Theory
- Modern Theory

## **Classical Theory**

- Scientific Management.
- Administrative Management.
- Bureaucratic Model.

# Lecture 5-Elements of Management

- Planning the task.
- Scientific Task and rate setting
- Method study
- Motion study
- Time study
- fatigue study
- Rate setting
- Scientific selection and training.

# Lecture 5-Evolution of Management

- Standardization.
- Specialisation.
- Route clerk
- Instruction Card Clerk
- Time and cost clerk
- shop Disciplinarian
- gang Boss
- speed Boss
- repair Boss

# Lecture 5-Scientific Management

## **Taylor's Four Principles of Management**

- Develop a science for each element of an individual's work, which replaces the old rule-of-thumb method.
- Scientifically select and then train, teach, and develop the worker. (Previously, workers chose their own work )
- Heartily cooperation between management & workers
- Divide work and responsibility almost equally between management and workers.

# Lecture 5-Scientific Management

## **Frank and Lillian Gilbreth**

- Motion Study which consists of reducing each job to the most basic movements possible.

## **Henry L. Gantt**

- Developed a system wherein workers could earn a bonus in addition to the piece rate if they exceeded their daily production quota.
- Gantt Chart and Task and Bonus Plan

# Lecture 5-Scientific Management

## **Comprehensive Analysis of Management**

- The general principle of how to make the work of management more effective.

## **Principles of Henry Fayol**

- Division of Work – one employee with one type of work.
- Authority and Responsibility – right, power, and duty to perform a task.
- Discipline – obedience and willingness to follow rules and regulations.
- Unity of Command – employee receives orders from one superior only.
- Unity of Direction – people with similar work should be in one group and under the control of one manager.

# Lecture 5-Scientific Management

- Subordination of individual interests to general interests – give more importance to the goal of the company.
- Remuneration – salary paid to the employees should be fair and reasonable.
- Centralization – concentration of power or authority at the top management.
- Scalar Chain – all employees should follow the line of authority from TOP to BOTTOM.
- Order – material and social.
- Equity – equal treatment in dealing with employees.



# Lecture 6-Contingency Management

## **Behavioral Approach**

- Management approach that emphasizes on increasing organizational success by focusing on human variables in the organization.

## **Management Science Approach**

- Emphasizes the use of the scientific method and quantitative techniques to increase organizational success.

## **Contingency Approach**

- Emphasizing that what managers do in practice depends on a given situation.

# Lecture 7-System Approach

## System Approach

- The organization must be viewed as a system (as a whole).
- System – number of interdependent parts functioning as a whole for some purpose.
- Closed System – one that is not influenced by, and does not interact with its environment.
- Open System – one that is influenced by, and is continually interacting with its environment.

# Lecture 7-System Approach

Management System is an open system



# Lecture 8-Types of Business organizations

## **Business organization**

- It is important that the business owner seriously considers the different forms of business organization—types such as sole proprietorship, partnership, and corporation. Which organizational form is most appropriate can be influenced by tax issues, legal issues, financial concerns, and personal concerns.
- For the purpose of this overview, basic information is presented to establish a general impression of the business organization.

# Lecture 9-Sole Proprietorship

## **Sole Proprietorship**

- A Sole Proprietorship consists of one individual doing business. Sole Proprietorships are the most numerous form of business organization in the United States, however, they account for little in the way of aggregate business receipts.

## **Advantages:**

- Typically, there are low start-up costs and low operational overhead.
- Ownership of all profits

# Lecture 10- Partnership

## Disadvantages

- Unlimited liability. Owners who organize their business as a sole proprietorship are personally responsible for the obligations of the business, including actions of any employee representing the business.

## Partnership

- A Partnership consists of two or more individuals in business together. Partnerships may be as small as mom and pop type operations, or as large as some of the big legal or accounting firms that may have dozens of partners.

# Lecture 10- Partnership

## Partnership

- There are different types of partnerships—general partnership, limited partnership, and limited liability partnership—the basic differences stemming around the degree of personal liability and management control.

## Advantages

- Synergy. There is clear potential for the enhancement of value resulting from two or more individuals combining strengths.

## Disadvantages

- Unlimited liability. General partners are individually responsible for the obligations of the business, creating personal risk.

# Lecture 10- Partnership

## Corporation

- Corporations are probably the dominant form of business organization in the United States. Although fewer in number, corporations account for the lion's share of aggregate business receipts in the U.S. economy.
- A corporation is a legal entity doing business, and is distinct from the individuals within the entity.
- Public corporations are owned by shareholders who elect a board of directors to oversee primary responsibilities.
- Along with standard, for-profit corporations, there are charitable, not-for-profit corporations.



# Lecture 10- Partnership

## Advantages

- Unlimited commercial life. The corporation is an entity of its own and does not dissolve when ownership changes.

## Disadvantages

- Regulatory restrictions. Corporations are typically more closely monitored by governmental agencies, including federal, state, and local. Complying with regulations can be costly.

# Lecture 11-public an private sector enterprises

## Public and private sector enterprises

Comparison Chart

BASIS FOR COMPARISON	PUBLIC SECTOR	PRIVATE SECTOR
Meaning	The section of a nation's economy, which is under the control of government, whether it is central, state or local, is known as the Public Sector.	The section of a nation's economy, which is owned and controlled by private individuals or companies is known as Private Sector.
Basic objective	To serve the citizens of the country.	Earning Profit
Raises money from	Public Revenue like tax, duty, penalty etc.	Issuing shares and debentures or by taking loan
Areas	Police, Army, Mining, Health, Manufacturing, Electricity, Education, Transport, Telecommunication, Agriculture, Banking, Insurance, etc.	Finance, Information Technology, Mining, Transport, Education, Telecommunication, Manufacturing, Banking, Construction, Pharmaceuticals etc.
Benefits of working	Job security, Retirement benefits, Allowances, Perquisites etc.	Good salary package, Competitive environment, Incentives etc.
Basis of Promotion	Seniority	Merit
Job Stability	Yes	No

# Lecture 12- Organizational Culture

- A system of shared meanings and common beliefs held by organizational members that determines, in a large degree, how they act towards each other. “The way we do things around here.”
- Values, symbols, rituals, myths, and practices

## **Implications:**

- Culture is a perception.
- Culture is shared.
- Culture is descriptive.

# Lecture 12- Organizational Culture

## **Factors Influencing the Strength of Culture**

- Size of the organization
- Age of the organization
- Rate of employee turnover
- Strength of the original culture
- Clarity of cultural values and beliefs

# Lecture 12- Organizational Culture

## **Benefits of a Strong Culture**

- Creates a stronger employee commitment to the organization.
- Aids in the recruitment and socialization of new employees.
- Fosters higher organizational performance by instilling and promoting employee initiative.

# Lecture 12- Organizational Culture

## Strong versus Weak Organizational Cultures

### Strong Cultures

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Values widely shared

Culture conveys consistent messages about what's important

Most employees can tell stories about company history/heroes

Employees strongly identify with culture

Strong connection between shared values and behaviors

### Weak Cultures

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Values limited to a few people—usually top management

Culture sends contradictory messages about what's important

Employees have little knowledge of company history or heroes

Employees have little identification with culture

Little connection between shared values and behaviors

# Lecture 13-Current trends and issues in Management.

- Total Quality Management.
- Risk Management.
- Crisis Management.
- Resistance to Change.
- Change Through Management Hierarchy.
- Concept of Change Management.
- Global Practices/International Business.
- Role of an International Manager