

# 23ME304 : INDUSTRIAL MANAGEMENT

## UNIT-I: Introduction to Management

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**NARSIMHA REDDY ENGINEERING COLLEGE**  
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- **Management is as old as man himself**
- **All those who were in business were not successful**
- **Those who were on the top once, are today no where**
- **Those who were novice once upon a time are today on the pinnacles of success**
- **One right decision will push you up business, and vice versa**
- **Certain business were continue to be successful irrespective of the changes in the market**
- **Management skills and practices ensured their success.**

# Management Key Concepts

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- ***Organizations:*** People working together and coordinating their actions to achieve specific goals.
- ***Goal:*** A desired future condition that the organization seeks to achieve.
- ***Management:*** The process of using organizational resources to achieve the organization's goals by...
  - *Planning, Organizing, Leading, and Controlling*

# CONCEPT OF MANAGEMENT

## A. TRADITIONAL CONCEPT

- Management is the art of getting things done through others. *(Mary Parker Follett)*
- Management consists of getting things done through others. A manager is one who accomplishes organizational objectives by directing the efforts of others. *(C.S. George)*

## B. MODERN CONCEPT

- Management is establishing an effective environment for people operating in formal organizational group. *(Koontz and O'Donnel)*
- Management is the co-ordination of all resources through the process of Planning, Organizing, Directing and Controlling in order to attain stated objectives. *(F.W. Taylor)*

# Concept of Management

“ Management is the art of getting things done through and with the people in formally organized groups.”

\_ Koontz H.

Management is the process of Planning, Organizing, Staffing, Directing and Controlling to accomplish organizational objectives through the coordinated use of human and material resources.

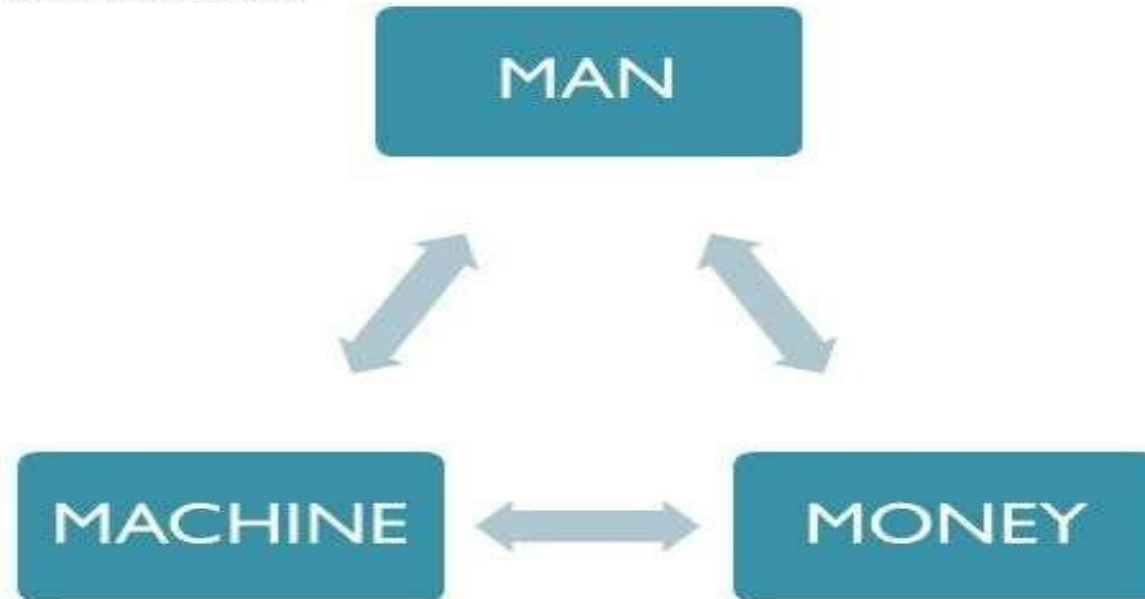
# CONCEPT OF MANAGEMENT

- what managers do in an organization
- Refers to people at the top level in the organization
- Group of decision-making people in an organization
- Doing something cleverly to change a situation and make things happen in the interest of organization

# MODERN CONCEPT OF MANAGEMENT

*“Management is art of getting things done through people.”*

Management is that field of human behavior in which managers plan, organize, staff, direct, and control human, financial resources in an organized group effort in order to achieve desired individual and group objectives with optimum efficiency and effectiveness.



# Definition

- “Management is the art of “knowing what you want to do” and then seeing that it is done in the best and cheapest way.

.....F.W.Taylor

- Management as a process “consisting of planning, organizing, actuating and controlling, performed to determine and accomplish the objective by the use of people and resources.”

.....George R. Terry

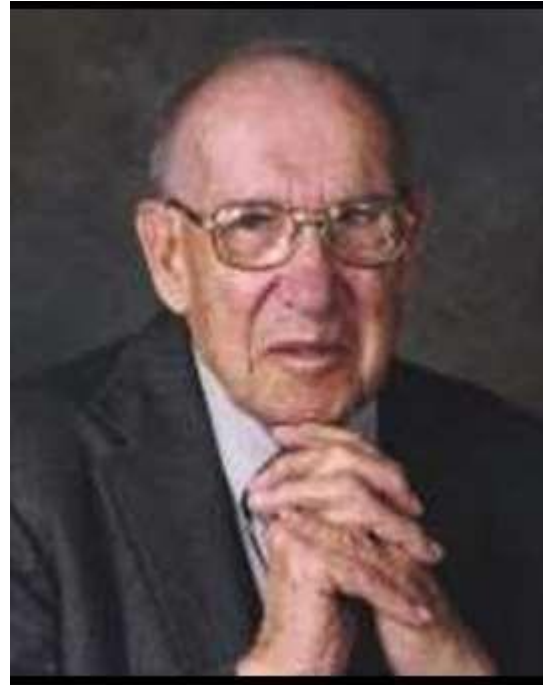


# Definition – Management:

- ▶ “Management is the process of designing and maintaining an environment in which individuals working together in groups, efficiently accomplish selected item”
- ▶ “Management is the process of getting things done, through & with people in organization”



*Henri Fayol* : To manage is to forecast and plan, to organise, to command, to coordinate and control



*Peter F Drucker* : Management is concerned with the systematic organisation of economic resources and its task is to make these resources productive



***E F L Brech* : Management is a social process. i.e., consists of planning, control, coordination, and motivation**



*Koontz and O'Donnel* : Management should have planning, organising, staffing, directing and leading, and controlling



*Koontz*



*Wehrich*

*Koontz and Wehrich* : Management is the process of designing and maintaining an environment in which individuals, working together in groups, accomplish efficiently the task



*W F Glueck* : Management is effective utilization of human and material resources to achieve the enterprise objectives



Tom Peters

- **How effectively managers can respond to customers' requirements**
- **How innovation can be constantly pursued in all areas of the organization**
- **How the people in an organization can participate as partners in progress**
- **How leaders adopt better to changes than fighting against them**
- **How activities in an organization can be controlled**

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- 1. Management is a social process**
- 2. It also denotes a 'a body of people' involved in decision making**
- 3. It is inexact science**
- 4. It is an art and also science**
- 5. It is profession**
- 6. It is inter-disciplinary**
- 7. It is complex**

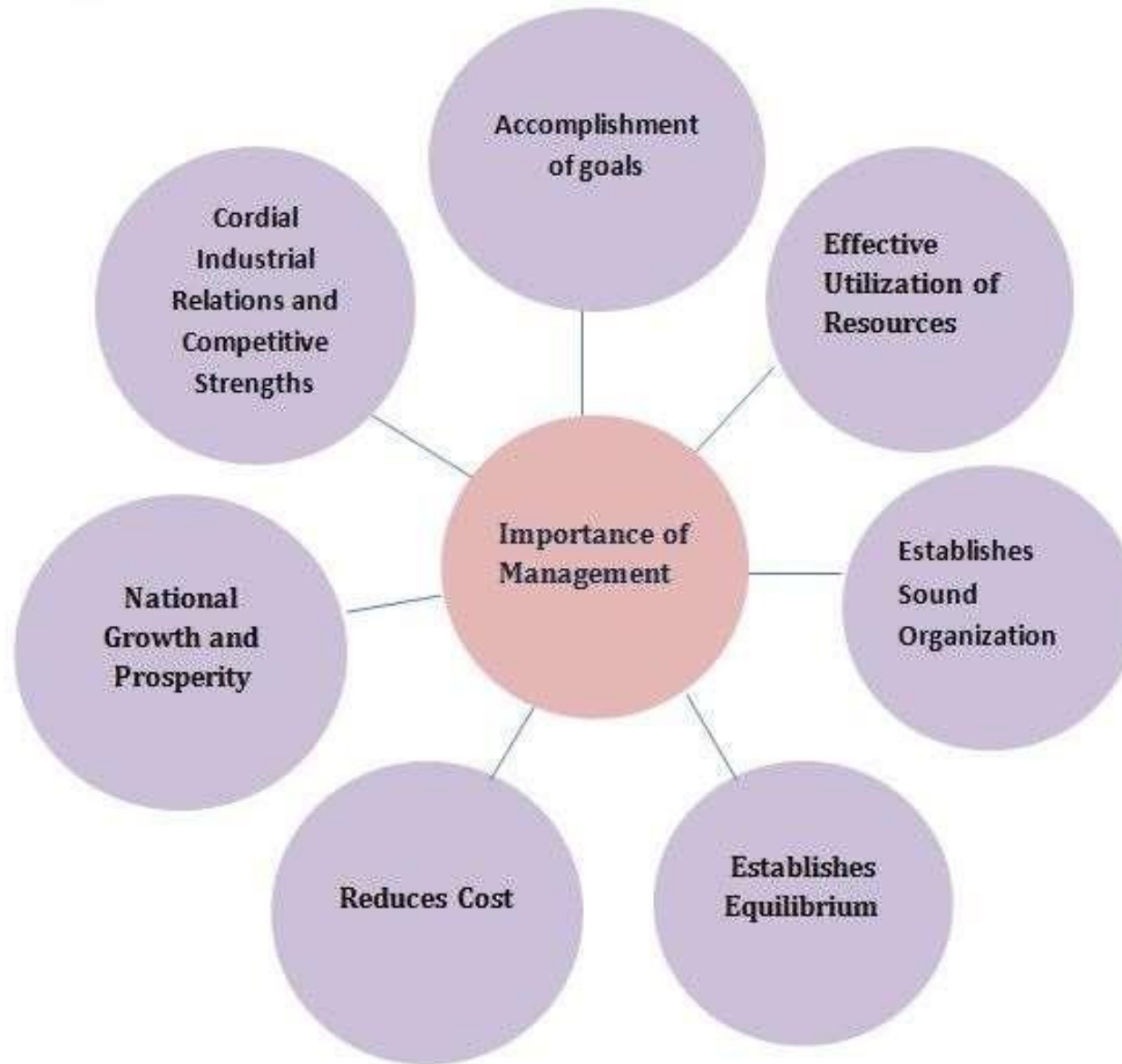
# FEATURES OF MANAGEMENT

- ❖ Management is goal oriented.
- ❖ Management is a distinct activity.
- ❖ It is a process.
- ❖ Management is a social process.
- ❖ It is a system of authority.
- ❖ Management is needed at all levels.
- ❖ Principles of management are dynamic.
- ❖ Group efforts.
- ❖ Intangible and coordination force.
- ❖ Influences behaviour.

# Features of Management

- Management is a distinct process.
- Management is an organized activity
- Management aims at the accomplishment of predetermined objectives.
- Management is both a science and an art.
- Management is a group activity
- Management principles are universal in nature
- Management integrates human and other resources.

# *Importance of Management*



# NEED & IMPORTANCE OF MANAGEMENT

- Optimum utilisation of scarce resources.
- Accomplishment of group goals.
- Essential to reduce the cost of product.
- Management meets the challenges of change.
- Helps in national growth.
- Stability

- ***It facilitates the achievement of goals through limited resources***

**An organisation, if well managed, can accomplish its goals even though its resources are limited.**

**When the resources are scarce, they have to be effectively allocated and utilised in an optimum manner. This is possible only through management.**

- ***It ensures smooth sailing in case of difficulties***

- *It ensures continuity in the organisation*

**It is quite natural that new people join while some others retire or leave the organisation.**

**It is only management that keeps the organisation continuing.**

**Organisations do not just collapse when some key people leave them.**

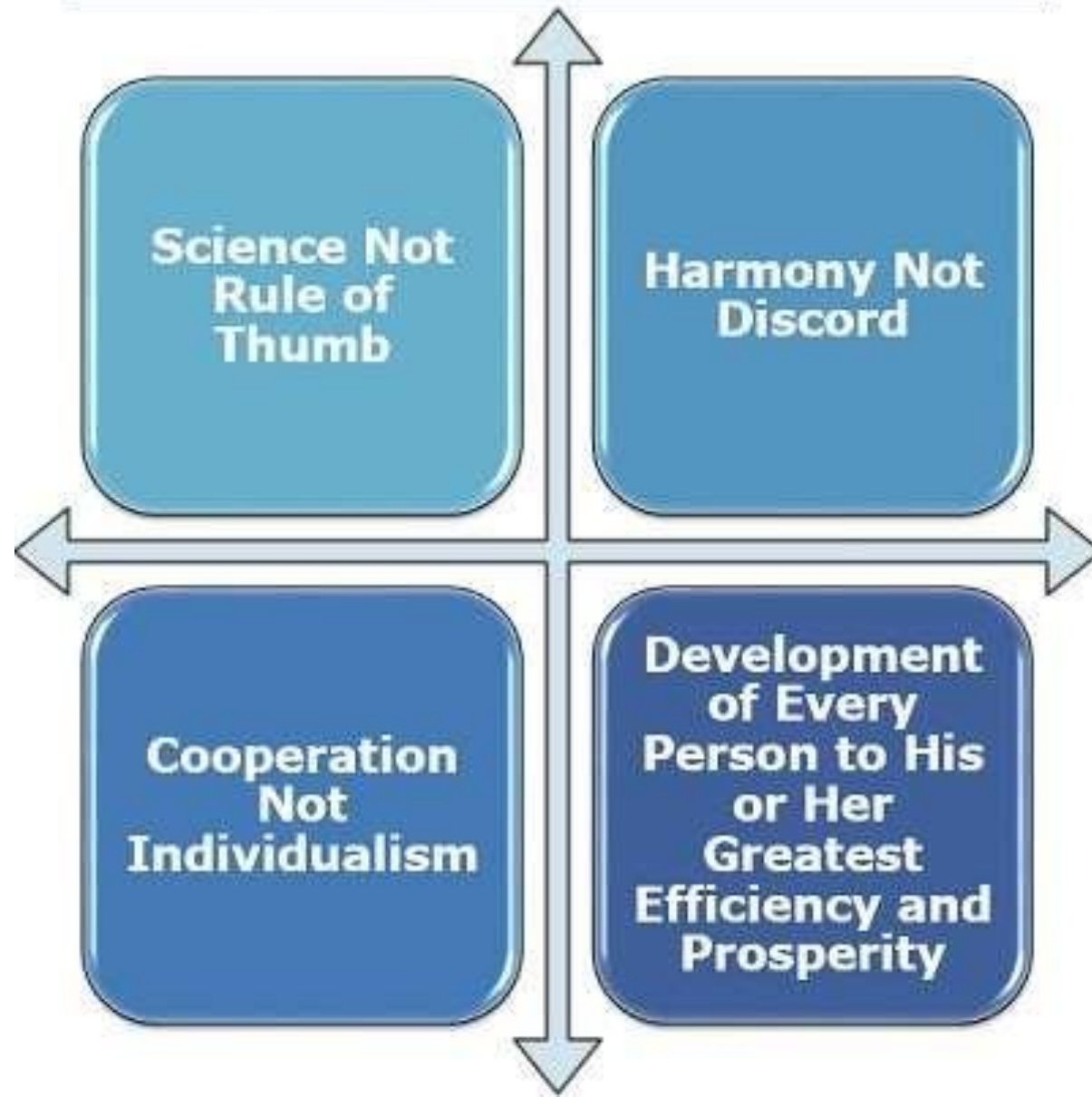
# • CHALLENGES TO MANAGEMENT

- Increasing opportunities as a result of all round globalisation, privatisation, and liberalisation
- The changing lifestyles and changing values
- Increasing life expectancy
- More expectations of customers and employees, in particular, and society as a whole, in general
- Eroding business ethics
- Depleting financial and non-financial resources
- Changing technology
- Bottlenecks in the basic infrastructure
- Environmental degradation, through pollution



# Taylor's Scientific Management Theory

# Principles of Scientific Management



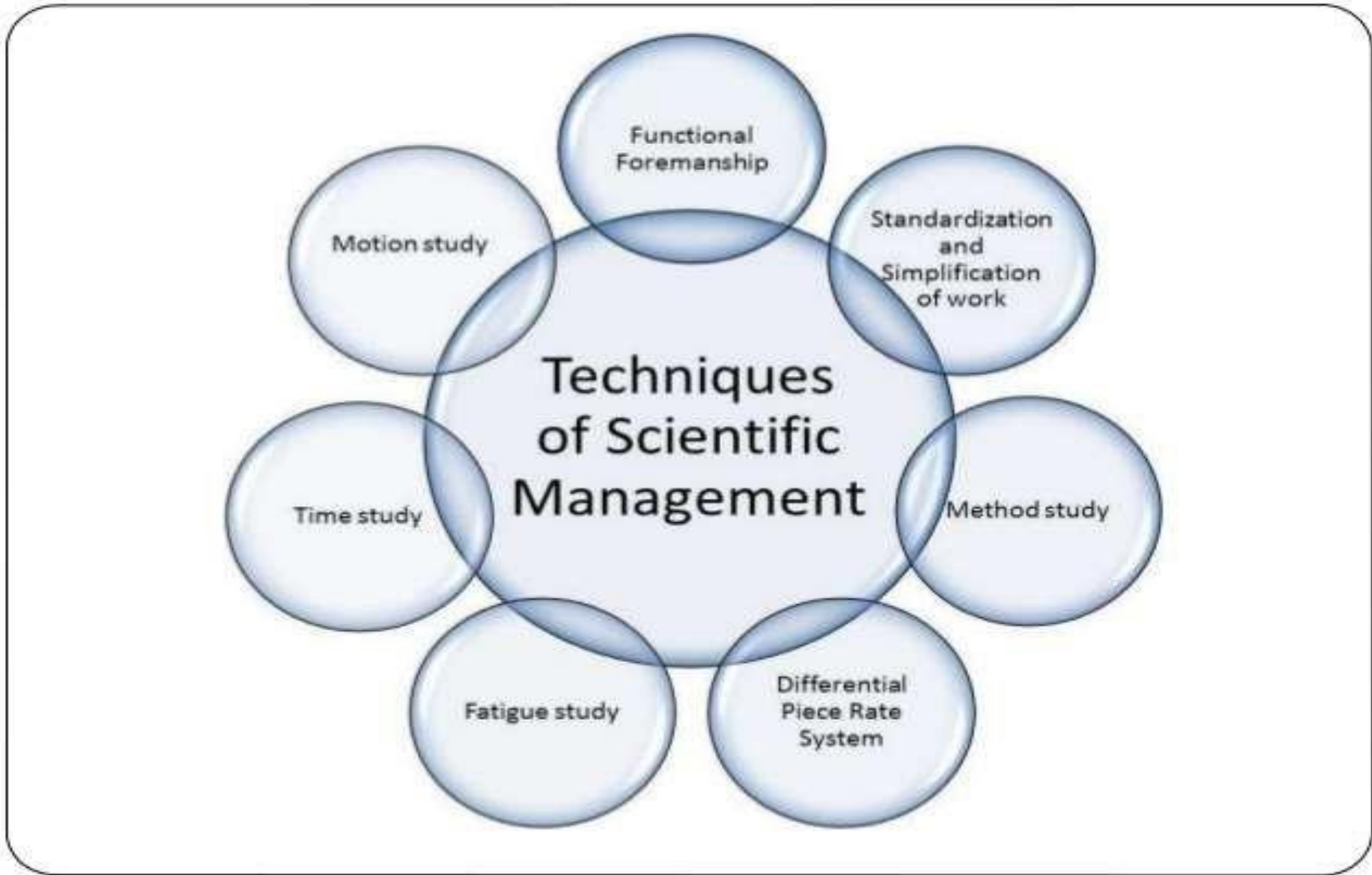
## Taylor's Scientific Management (Four Principles)

Replace “rule-of-thumb” work methods with methods based on a scientific study of the tasks.

Scientifically select, train, and develop each worker rather than passively leaving them to train themselves.

Cooperate with the workers to ensure that the scientifically developed methods are being followed.

Divide work nearly equally between managers and workers, so that the managers apply scientific management principles to planning the work and the workers actually perform the tasks.



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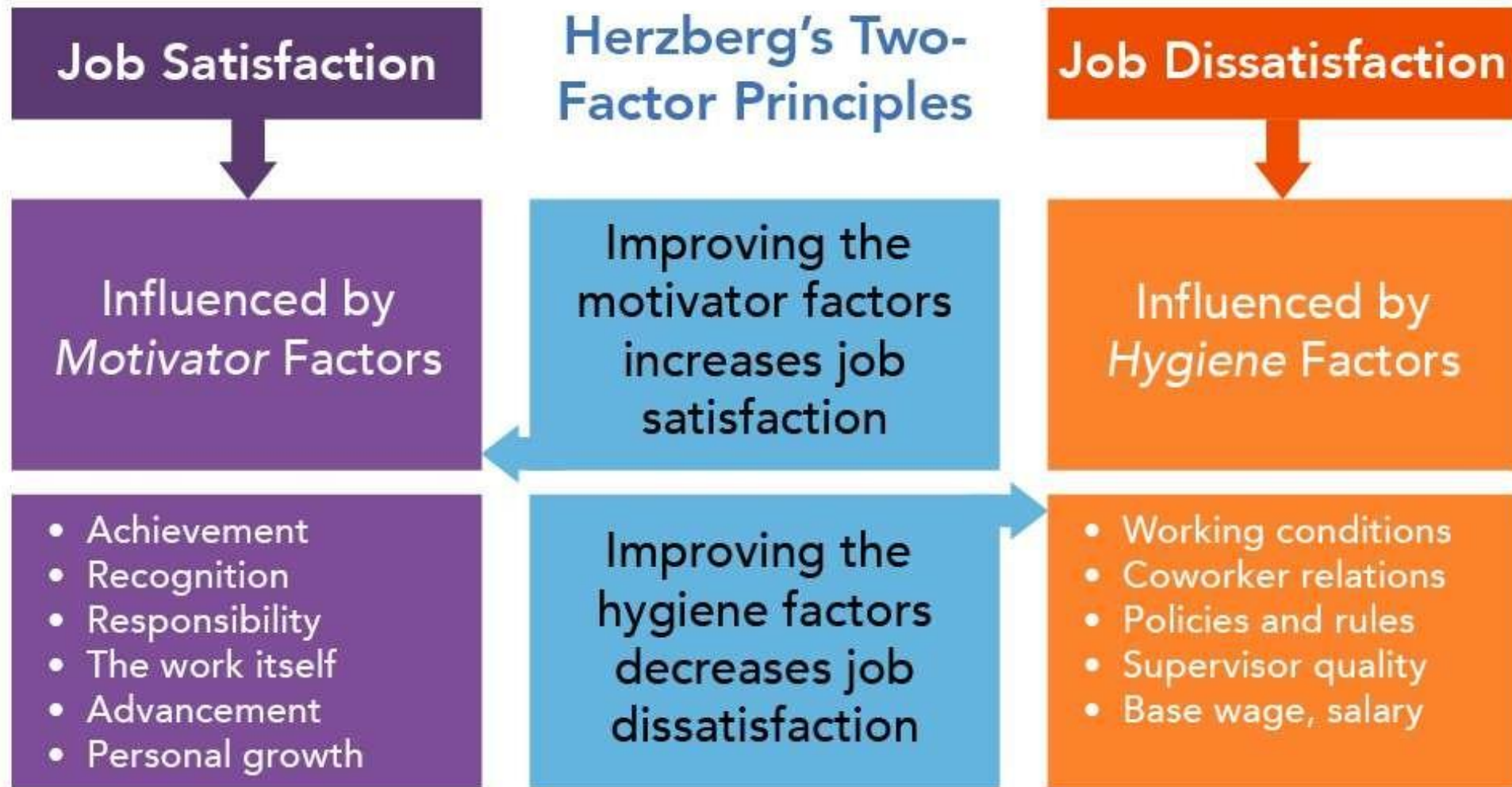
# *THEORY OF MASLOW'S HIERARCHY OF NEEDS*

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# **FREDERICK-HERZBERG'S TWO FACTOR THEORY**



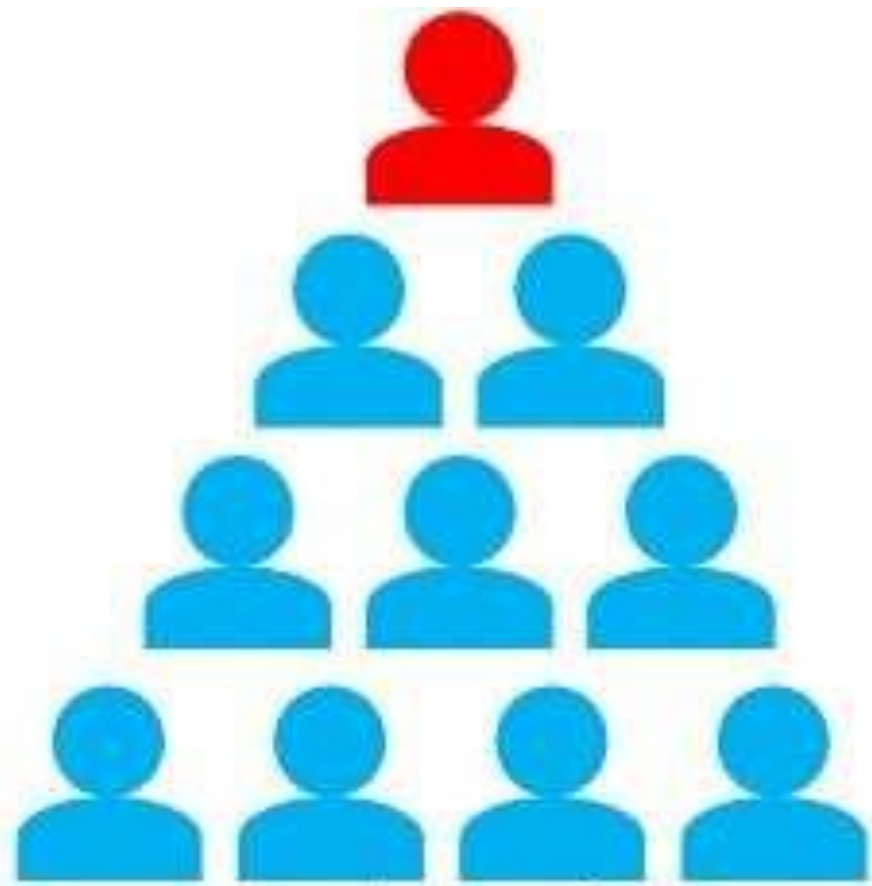
# authority

**The power or right to give commands, enforce obedience, take action, or make final decisions**



# responsibility

**The state of being responsible, answerable, or accountable for something within one's power, control**



Authority

Vs



Responsibility

# DELEGATION OF AUTHORITY

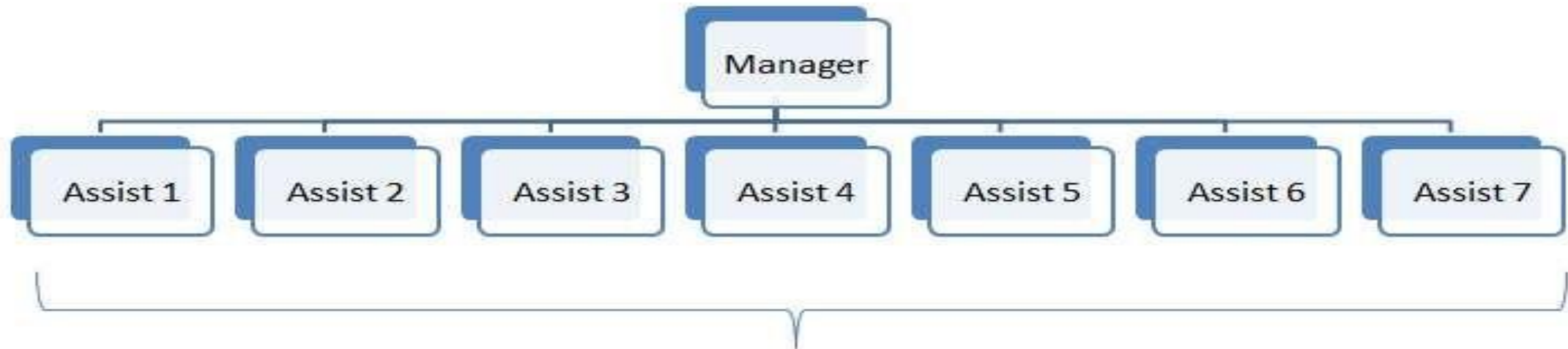
# Process of Delegation of Authority





## What is the Span of Control?

- > The number of people who report to one manager in a hierarchy
- > The more people under the control of one manager - the wider the span of control
- > Less means a narrower span of control



Span of control = 7