Management Fundamentals

OUTLINE

- Management and Manager
- Levels of Management
- Management Functions and Skills
- Mintzberg's Managerial Roles
- Fayol's Management Principles
- Strategic Management

Management

Management is a process of **planning, decision making, organizing, leading, motivating and controlling the human resources, financial, physical, and information resources** of an organization to reach its **goals efficiently and effectively**



Management

It is **art and science of organizing and directing human efforts** applied to **control forces and utilise the material of nature** for the **benefit of mankind**

- **The Science of Management**
  - Problems can be approached using rational, logical, objective, and systematically
  - Use of technical, diagnostic, and decision-making skills and techniques to solve problems
- **The Art of Management**
  - Making decisions/ solving problems using a blend of intuition, experience, instinct, & personal insights
  - Using conceptual, communication, interpersonal, and time- management skills to accomplish the tasks associated with managerial activities

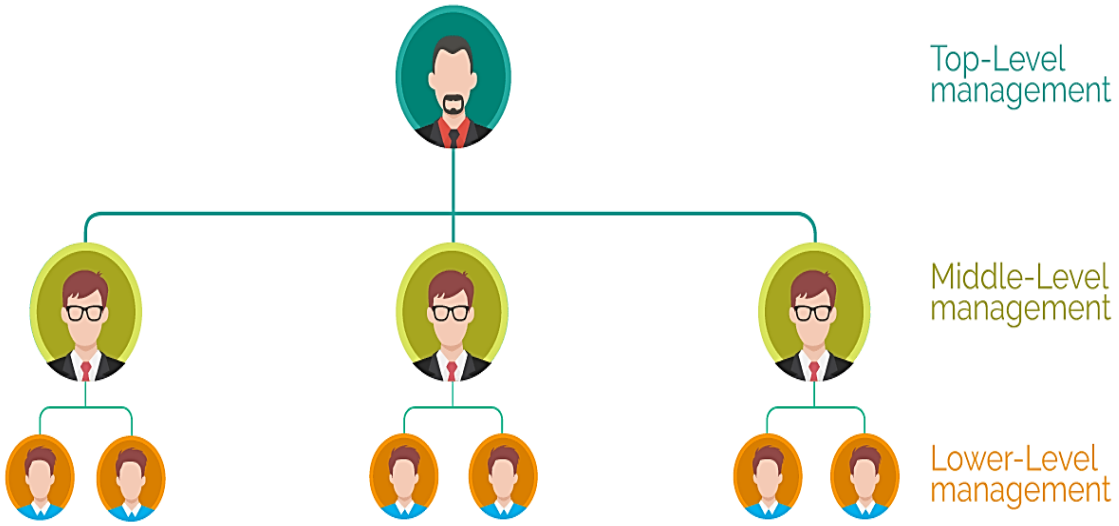
Managers

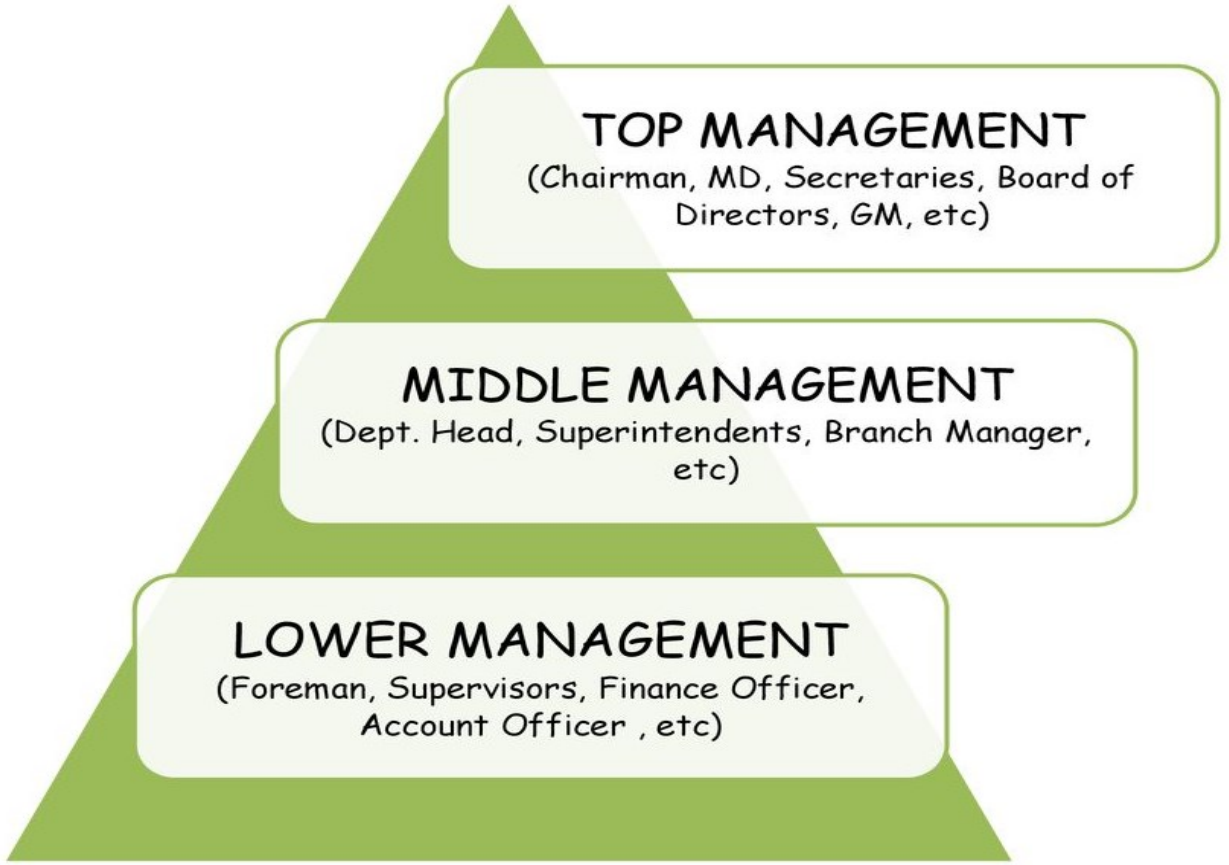
One who handles, controls, or directs, especially:

- One who directs a business or other enterprise.
- One who controls resources and expenditures, as of a household.

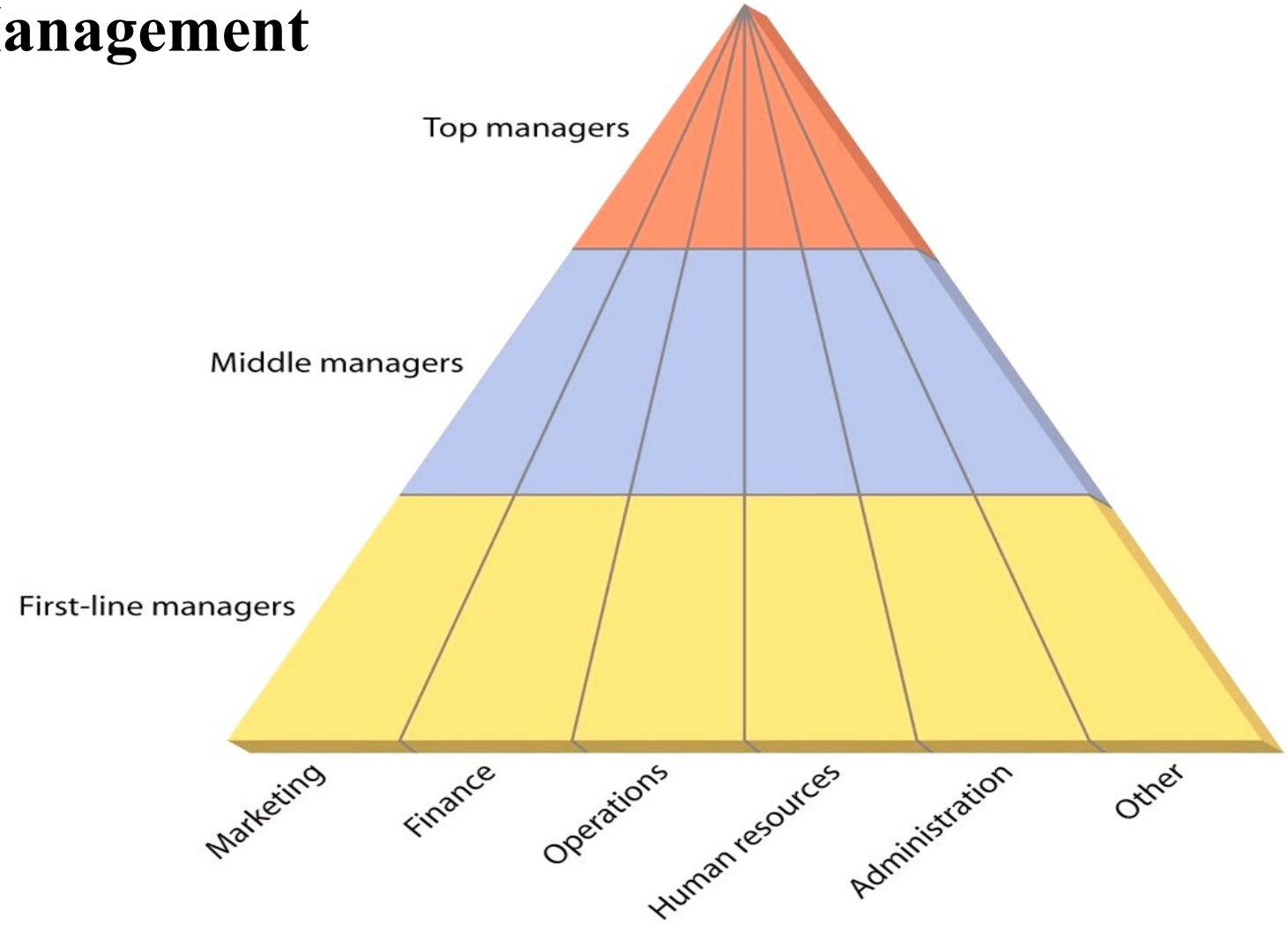
A manager is a person responsible for supervising and motivating employees and for directing the progress of an organization

Levels of Management



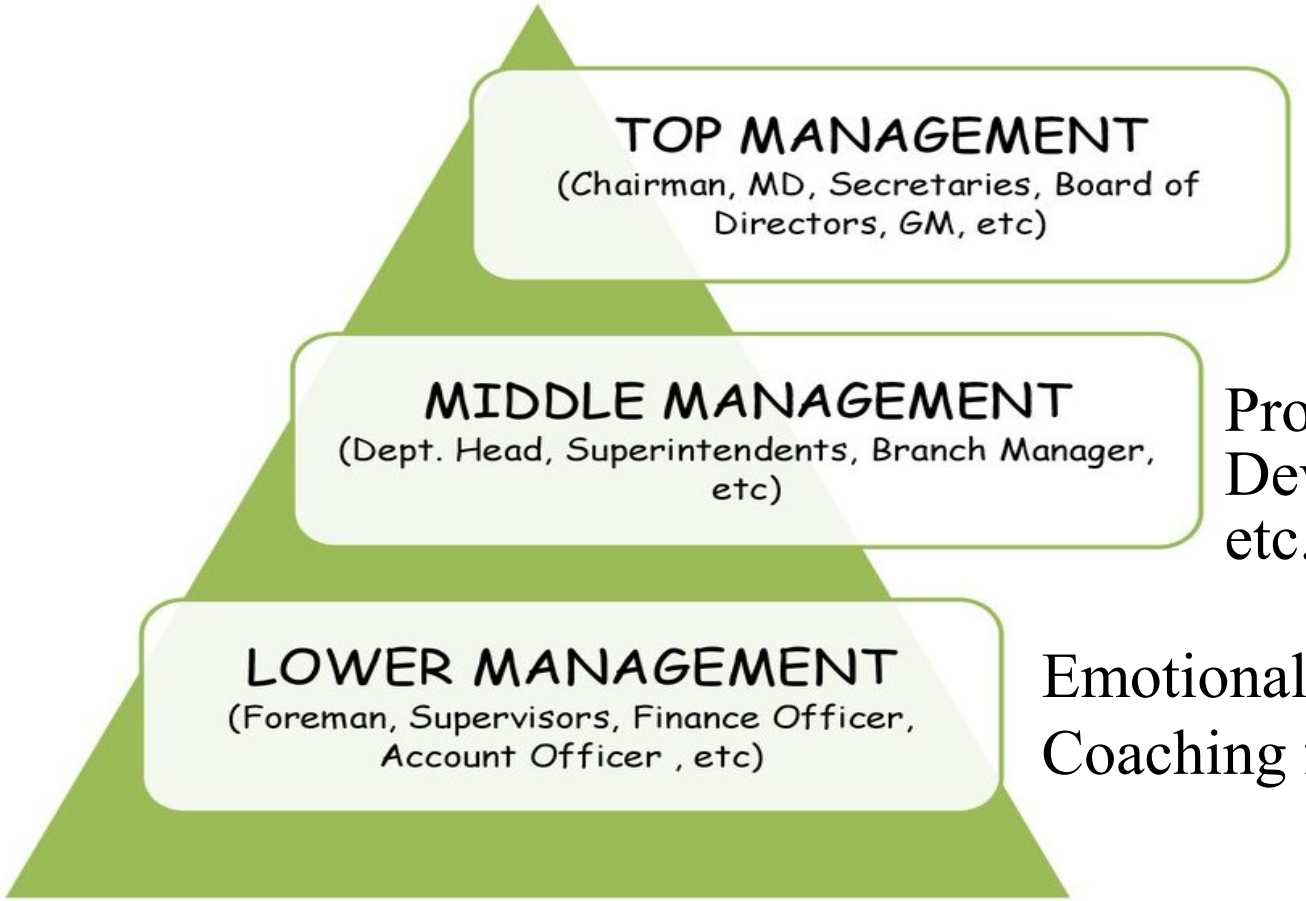


Levels and Areas of Management



Areas of Management

Management Functions

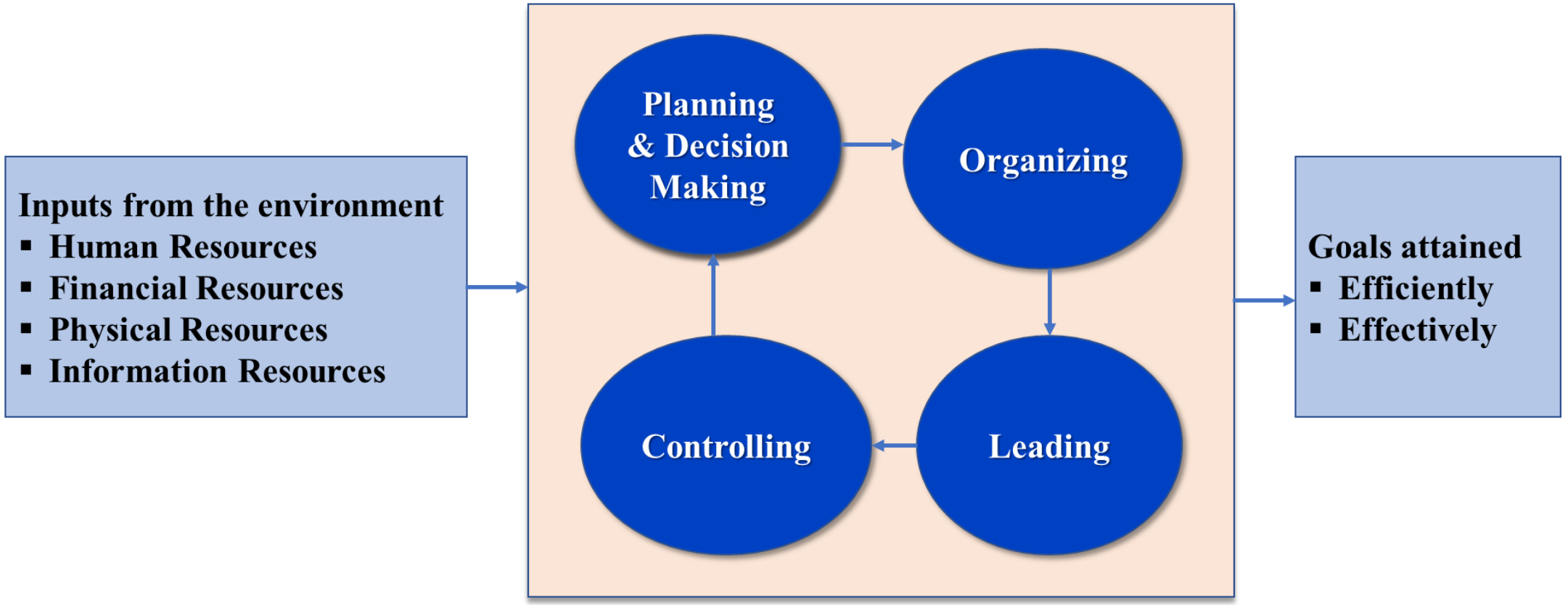


Executive, Coaching, Change Management, leadership, Delegation & Empowerment

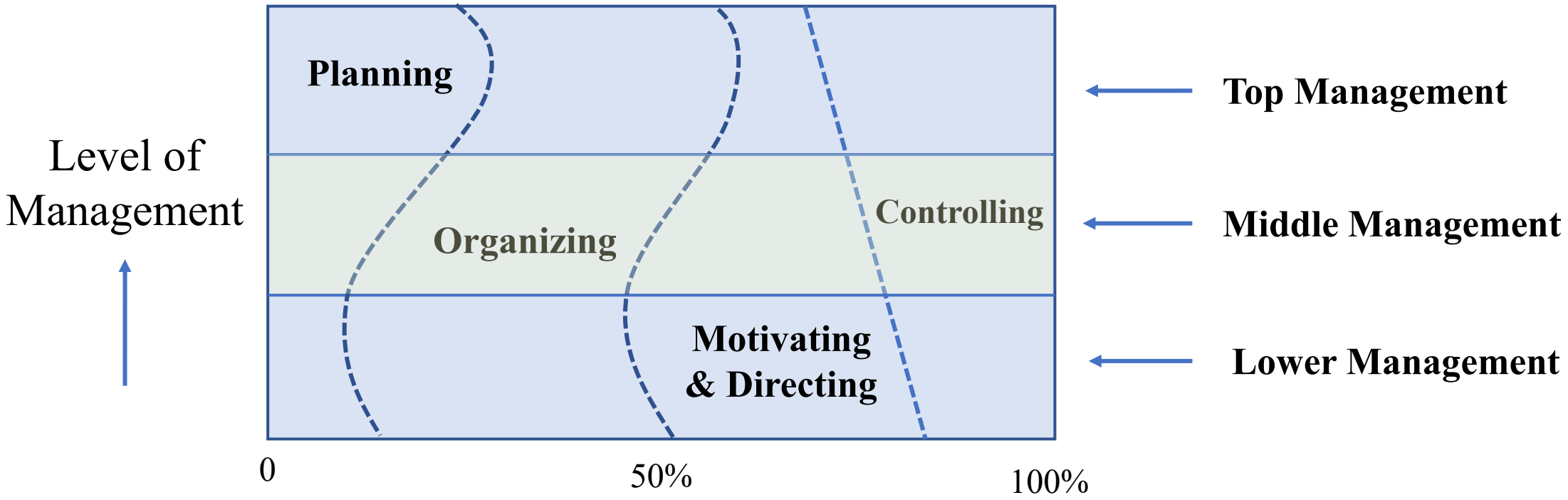
Problem-solving, Team-building, Talent Development, Performance Management etc.

Emotional Intelligence & Coaching for Performance

Basic Management Functions

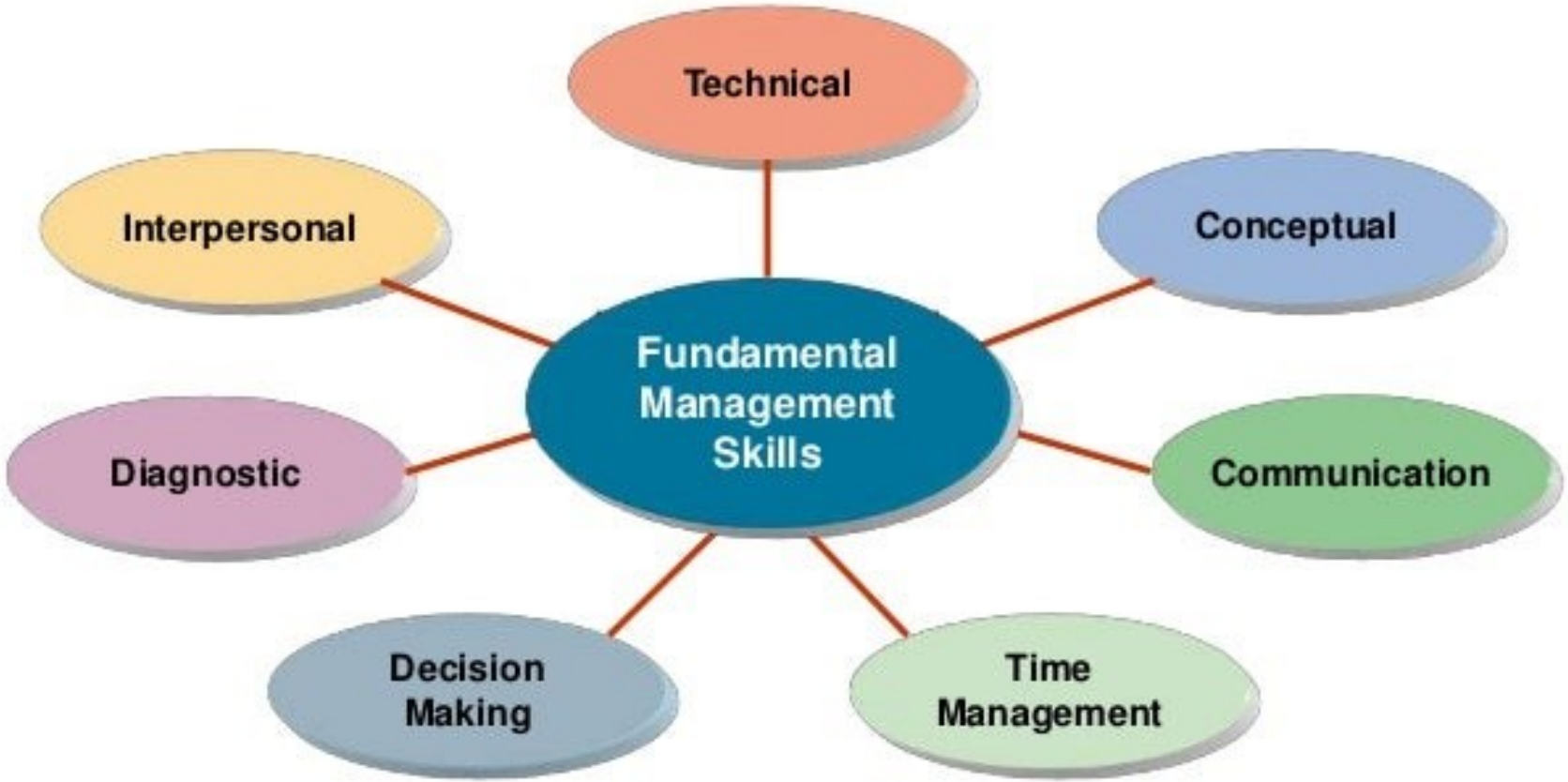


Management Functions



Percentage of time spent in particular management functions

Fundamental Management Skills



Mintzberg's Managerial Roles



1. Interpersonel

- Figurehead
- Leader
- Liasion



2. Informational

- Monitor
- Disseminator
- Spokeperson

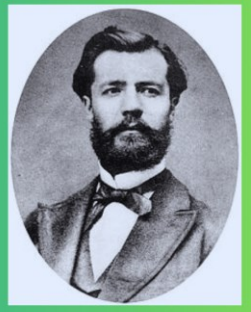


3. Decisional

- Entrepreneur
- Disturbance Handler
- Resource Allocator
- Negotiator

Henry Mintzberg, Canadian academic and author on business and management

Henri Fayol's 14 Principles of Management



Henri Fayol, French mining engineer. Developed a general theory of Business Administration

- Division of Labor or specialization
- Authority and Responsibility
- Discipline
- Unity of Command
- Unity of Direction
- General Interest
- Renumeration
- Centralization
- Scalar Chain of Command
- General Order
- Equity
- Stability of Tenure
- Initiative
- Espirit De Corps

Henri Fayol's 14 Management Principles

1. **Division of Work** – improves productivity, efficiency, accuracy and speed of the workers

2. **Authority and Responsibility** – Facilitates the management to work efficiently, and responsibility makes them responsible for the work done under their guidance or leadership

3. **Discipline** – Core value for any any management; good performance employees' good behaviour

4. **Unity of Command** – Employee should have only one boss and follow his command

5. **Unity of Direction** – Whoever is engaged in the same activity should have a unified goal

6. **Individual Interest** – Unitedly towards the interest of a company rather than personal interest.

7. **Remuneration –** Remuneration can be monetary or non-monetary according to an individual's efforts

Henri Fayol's 14 Management Principles

8. **Centralization –** Decision-making is neutral, balanced between the hierarchy and division of power

9. **Scalar Chain** – Hierarchy steps should be from the top to the lowest

10. **Order –** Should maintain a well-defined work order to have a favourable work culture

11. **Equity** – All employees should be treated equally and respectfully

12. **Stability –** Duty of the management to offer job security to their employees.

13. **Initiative –** The management should support and encourage the employees to take initiatives

14. **Esprit de Corps** – Developing trust and mutual understanding will lead to a positive outcome and work environment

Strategic Management

- Strategic management is the ***ongoing planning, monitoring, analysis and assessment of all necessities an organization needs to meet its goals and objectives***.

- It helps organizations take **stock of their present situation, chalk out strategies**, deploy them and analyze the effectiveness of the implemented management strategies.



Steps in Strategic Management



- Assessing the organization's current strategic goals/ direction
- Identifying and analyzing internal and external strengths and weaknesses
- Formulating action plans
- Executing action plans
- Evaluating plans and making changes when desired results are not being produced

Strategic Management



A **SWOT Analysis is one of the Strategic Management frameworks** to build and test business strategies

Administration & Management

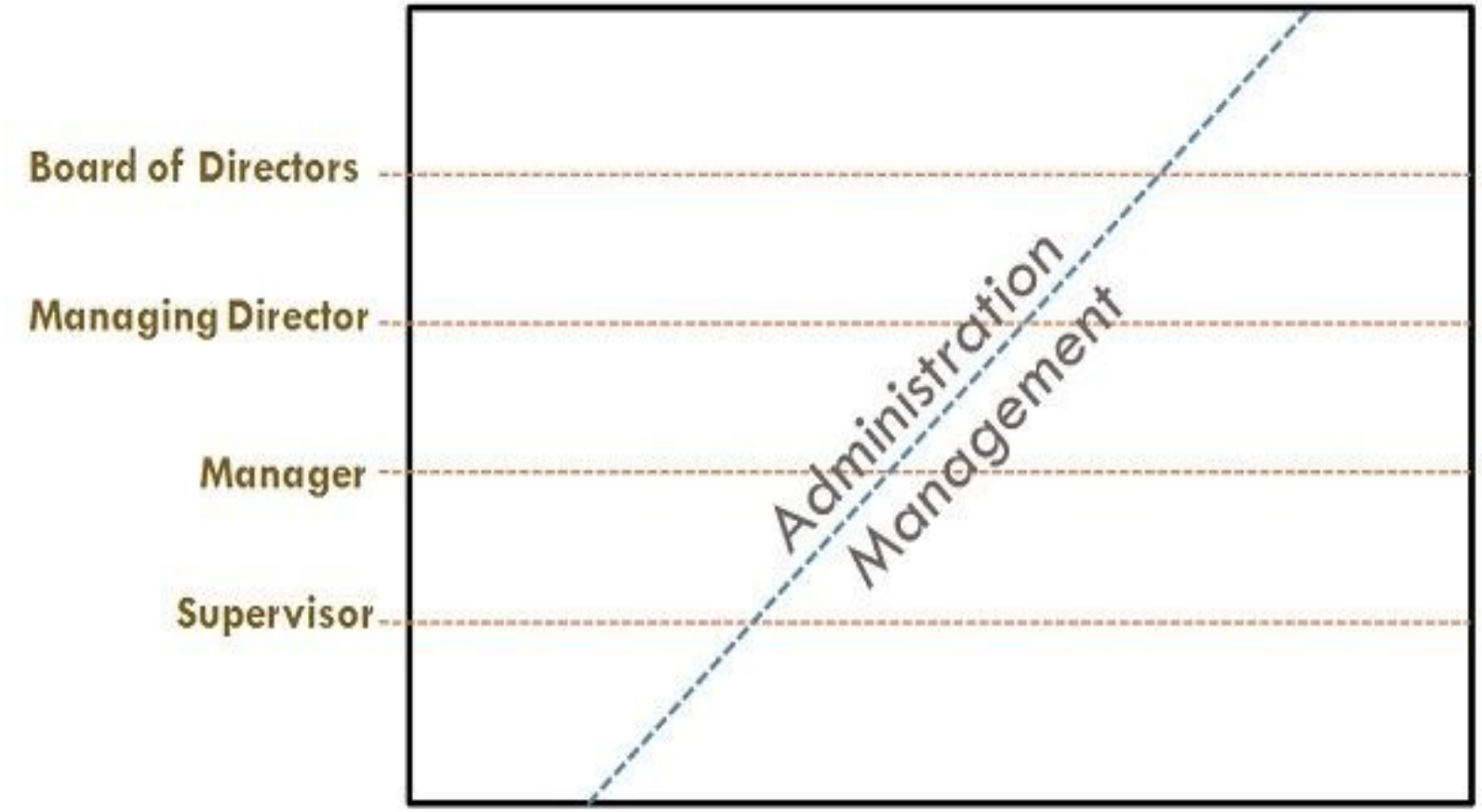
Administration Vs. Management

- **Management** - the skill of getting the work done from others. It is not exactly same as **administration**, which indicates to a process of effectively administering the entire organization.

- Management is concerned with **directing or guiding** the operations of the organization

- Administration **stresses on laying down the policies and establishing the objectives** of the organization

Administration Vs. Management



Administration Vs. Management

Basic Difference	Administration	Management
Level	*Top*	*Middle & Lower*
Major focus	*Policy, Objective*	*Policy execution & Objective achievement*
Nature of Functions	*Determinative*	*Executive*
Scope of functions	*Broad & Conceptional*	*Narrow & Operational*
Factors affecting decisions	*Mostly external*	*Mostly internal*
Employer-Employee	*Entrepreneurs*	*Employee*