

# Nature and Concept of Management

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# What is Management?

**“The force that runs an enterprise and is responsible for its success and failure.”**

**“Management is the performance of conceiving and achieving desired results by means of group effort consisting of utilizing human talents and resources”**

**“Getting things done through people.”**

**“Planning and Implementing.”**

**“Satisfying the economic and social needs by being productive for the human being, for the economy, and for society.”**

# What is Management?

**Management is a distinct process of planning, organizing, staffing, and controlling (POSDICON), performed to determine and accomplish stated objectives by the use of human being and other business resources.**



# Universally Accepted Functions of Management

## Planning

- Formulation of objectives, programs, policies, procedures, rules and regulations, in order to achieve the goals of the business.
- Related to decision-making
- Involves selecting the best course of action that a business or other enterprises and every department will follow.
- Ranging from the company purpose and objective to the most detailed individual action plan.
- Involves forecasting, that is, making decisions in advance.
- Used to further accomplish the objectives today and its relationship in the future.



# Universally Accepted Functions of Management (con't)

## Organizing

- The grouping together of people, establishing relationship among them, and defining the authority and responsibility that the personnel have in the use of the company's material resources to attain predetermined goals and objectives.



- Involves establishing an intentional structure of roles for men to fill in an enterprise. Intentional that it makes sure that all the tasks necessary to accomplish goals are assigned to men who can do



# Universally Accepted Functions of Management (con't)

## Staffing

- Involves filling and keeping filled the positions provided in the organization structure.
- Includes recruiting and selecting candidates for position, compensation.



## Planning

Involves motivation, leadership styles, and approaches, and communication.

- Leadership implies followership, and people tend to follow the man on who they see a means of satisfying their own needs, wishes, and desires.



# Universally Accepted Functions of Management (con't)

## Controlling

- The process of measuring and correcting the activities of subordinates and the company itself to assure conformity to plans.

- It measures performance against goals, and plans where negative deviations exist, and, by actions to correct deviations and help assure success.





# Management as a Science and as an Art

## Art

- It results to the accomplishment of objectives through the use of human efforts.
- Requires skill and careful study in the management of any endeavor.

## Science

- It is a systematic body of knowledge.
- gathers and analyzes facts and formulates general laws or principles from these facts.

\*\*\* Management seeks to integrate into a unified, coordinated whole the essential factors that makes up an organization – personnel, finance, production, sales or marketing, purchasing, and procurement, administration, and advertising.

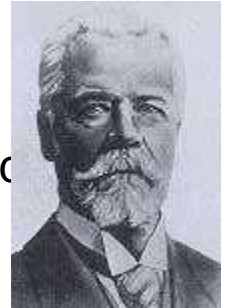




# Evolution of Management Theories

## The Classical or Traditional School

- Concept of management is not new, it has been practiced for thousands of years.
- The classical theory of management is built on principles.



### 14 Principles of Management by Henri Fayol

1. **Division of Work** – assignment of specialized jobs to various departments and/or positions. When work is specialized, people learn the task more easily and perform them more effectively.
2. **Authority and Responsibility** – both to be related and inseparable. Authority as the power or the right entrusted to make the work possible and responsibility as the duty or work assigned to a particular position.
3. **Unity of Command** – employees should receive orders from one superior/manager only.
4. **Subordination of Individual Interest to General Interest** – interest of one employee or group of employees should not prevail over the interest of the business.
5. **Remuneration** – remuneration and method of payment should be fair and afford the maximum possible satisfaction to employees and employer. Sometimes called Compensation. “equal pay for equal work”.

# Evolution of Management Theories (con't)

## 14 Principles of Management by Henri Fayol (con't)

**7. Scalar Chain** – “chain of superiors” from the highest to the lowest ranks.

**8. Stability of Tenure** – unnecessary labor turnover could be the cause and the effect of bad management. Employees should be given enough time and period to prove his worth to the company. “probationary appointment”

**9. “Esprit de Corps”** – “in union there is strength”. Need for teamwork and the importance of communication in obtaining it.

**10. Span of Control** – refers to the specific and limited number of subordinates that a manager can effectively handle and control. Effective supervision.

**11. Simplicity** – unnecessary elements should be activities

**12. Unity of Direction** – one boss and one plan for having the same objective.

**13. Order** – ensures a place for everything.

**14. Equity** – results from kindness and justice.



# Evolution of Management Theories (con't)

## 4 Principles of Scientific Management by Frederick Taylor

1. Develop a science for each element of a man's work, to replace the old rule-of-thumb method.
2. Scientifically select and then train the worker
3. Heartily cooperate with the men to ensure that all the work done is in accordance with the principles of the science develop for the work.
4. Divide the work and the responsibility equally between the management and the workers. Management should take over from the workmen all work for which it is better fitted.



# Evolution of Management Theories (con't)

## Frank and Lillian Gilbreth and Motion Study



- Emphasized the ideal motions required to perform a job in an optimal manner
- Developed the concept of the “**therblig**”, an elemental hand or a body motion
- 17 “therbligs” suitable for a particular job.

• **MOTION STUDY** - detailed analysis of motions in an operation

**Goal:** To eliminate ineffective motions, to produce faster or more effective motions

**A. Effective therbligs** - directly advance progress of work, may be shortened but difficult to eliminate completely

- 1) Reach (RE) - movement of empty hand to or from object
- 2) Move (M) - movement of loaded hand
- 3) Grasp (G) - closing fingers around an object, depends on type of grasp
- 4) Release (RL) - relinquish control of object
- 5) Pre-Position (PP) - positioning object in predetermined location for later use
- 6) Use (U) - manipulating tool for intended use
- 7) Assemble (A) - two mating parts brought together
- 8) Disassemble (DA) - opposite of assemble, mating parts separated

# Evolution of Management Theories (con't)

## Frank and Lillian Gilbreth and Motion Study



- Emphasized the ideal motions required to perform a job in an optimal way
- Developed the concept of the “**therblig**”, an elemental hand or arm motion
- 17 “therbligs suitable for a particular job.

• **MOTION STUDY** - detailed analysis of motions in an operation  
**Goal:** To eliminate ineffective motions, to produce faster or more effective motions

**B. Ineffective therbligs** - do not advance progress of work, should be eliminated

- 9) Search (S) - eyes or hands groping for object
- 10) Select (SE) - choosing one item from several
- 11) Position (P) - orienting object during work
- 12) Inspect (I) - compare object with standard
- 13) Plan (PL) - pause to determine next action
- 14) Unavoidable delay (UD) - beyond operator's control
- 15) Avoidable delay (D) - operator responsible for idle time
- 16) Rest to overcome fatigue (R) - appears periodically, not every cycle
- 17) Hold (H) - one hand support object while other does useful work

**Thank  
You**