Unit 1: Introduction to Management

Definition

1. Product or Efficiency oriented definition by F.W. Taylor

Management is the art of knowing what you want to do and than seeing that it is done in a best and cheapest way.

2. Decision oriented definition

Management is simply the process of decision making and control over the action of human being for the achievement of predefined objective.

3. People oriented:

Management is the art of getting thing done through and with people in formally organized group.

4. Function oriented

Management is a process involving planning, organizing, staffing, directing, and controlling human efforts to achieve stated objective in organization.

5. According to Mary Parker Follett "Management is the art of getting things done through people."

1.3 Management and Administration

The terms **Management** and **Administration** are often used interchangeably because both are concerned with achieving organizational objectives. However, some management scholars have distinguished between the two based on their functions, levels of authority, and scope of work.

Administration is primarily concerned with formulating policies, setting objectives, and making major decisions, whereas management focuses on implementing these policies and ensuring that organizational activities are carried out efficiently.

In modern organizations, both administration and management work together and are equally important for organizational success.

No.	Basis	Administration	Management
1	Meaning	Administration is concerned with setting objectives, policies, and strategic direction of the organization.	Management is concerned with implementing policies and achieving objectives through planning and coordination.
2	Nature of Work	Determinative in nature; decides what is to be done.	Executive in nature; decides how the work will be done.
3	Main Function	Policy formulation and strategic decision-making.	Execution of policies and operational activities.
4	Level in Organization	Operates at the top level of the organization.	Operates mainly at middle and lower levels.
5	Focus	Focuses on organizational goals and future direction.	Focuses on achieving goals through efficient operations.
6	Authority	Possesses ultimate authority and power.	Exercises authority delegated by administration.
7	Scope	Wider scope covering the entire organization.	Comparatively narrower scope focused on implementation.
8	Decision-Making	Makes major and strategic decisions.	Makes routine and operational decisions.
9	Time Horizon	Concerned with long-term planning.	Concerned with short-term and medium-term planning.
10	Responsibility	Responsible for determining objectives and policies.	Responsible for carrying out plans and policies.
11	Orientation	Policy-oriented.	Action-oriented.
12	Risk Involved	Higher level of risk due to strategic decisions.	Lower level of risk as decisions are operational.
13	Relationship with Employees	Usually has indirect contact with employees.	Maintains direct contact with employees and supervisors.
14	Resource Allocation	Determines overall allocation of organizational resources.	Utilizes resources efficiently to achieve targets.
15	Applicability	Commonly used in government, educational, and public institutions.	Commonly used in business and industrial organizations.
16	Example	Board of Directors,	CEO, General Manager,

No.	Basis	Administration	Management
	Positions	Trustees, Vice-Chancellor, Governing Body.	Department Manager, Supervisor.

1.4 Role of Managers (Henry Mintzberg's Managerial Roles)

Management expert **Henry Mintzberg** identified ten managerial roles that every manager performs while carrying out organizational activities. These roles are grouped into three categories: **Interpersonal Roles, Informational Roles, and Decisional Roles.**

A. Interpersonal Roles

Interpersonal roles involve interactions with employees, customers, suppliers, and other stakeholders.

1. Figurehead

As a figurehead, a manager performs ceremonial and symbolic duties on behalf of the organization. The manager represents the organization at official events and functions.

Example A college principal presiding over the annual convocation ceremony acts as a figurehead.

2. Leader

As a leader, a manager guides, motivates, supervises, and influences employees to achieve organizational goals.

Example A department manager motivates team members to complete a project before the deadline.

3. Liaison As a liaison, a manager establishes and maintains relationships with individuals and organizations outside the immediate work group.

Example A marketing manager coordinating with advertising agencies and suppliers performs the role of a liaison.

B. Informational Roles

Informational roles involve collecting, processing, and sharing information.

4. Monitor

As a monitor, a manager continuously gathers information about internal operations and external business environments.

Example A sales manager reviews market trends and competitor activities to stay informed.

5. Disseminator

As a disseminator, a manager communicates important information to employees and departments within the organization.

Example A manager informing employees about a new company policy acts as a disseminator.

6. Spokesperson

As a spokesperson, a manager communicates information about the organization to external stakeholders.

Example A company CEO presenting annual performance results to investors acts as a spokesperson.

C. Decisional Roles

Decisional roles involve making choices and solving organizational problems.

7. Entrepreneur

Meaning

As an entrepreneur, a manager initiates improvements, innovations, and new business opportunities. **Example** A manager introducing AI-based customer service systems to improve efficiency performs an entrepreneurial role.

8. Disturbance Handler

As a disturbance handler, a manager resolves conflicts, crises, and unexpected problems within the organization.

Example

A production manager handling a machine breakdown during manufacturing acts as a disturbance handler.

9. Resource Allocator

As a resource allocator, a manager decides how organizational resources such as money, manpower, equipment, and time should be distributed.

Example A project manager assigning budgets and employees to different project activities performs the role of a resource allocator.

10. Negotiator

As a negotiator, a manager represents the organization during discussions and negotiations with employees, customers, suppliers, or unions.

Example An HR manager negotiating salary agreements with employee representatives acts as a negotiator.

1.5 Managerial Skills

1. Technical Skills

Technical skills refer to the ability to use specialized knowledge, methods, techniques, and tools required for performing a specific job. These skills are generally acquired through education, training, and experience. Technical skills help managers understand the technical aspects of work and solve operational problems efficiently.

Technical skills are most important for **lower-level managers** because they directly supervise employees and deal with day-to-day operational activities.

Example A software development team leader must understand programming languages, software development tools, and project management techniques to guide team members effectively. Similarly, a production supervisor in a manufacturing company must understand production processes, machinery operations, and quality control procedures.

2. Human Skills

Human skills refer to the ability to work effectively with people, understand their needs, communicate clearly, motivate employees, and build positive relationships. These skills enable managers to create teamwork and maintain a healthy work environment.

Human skills are important at **all levels of management** because every manager interacts with employees, customers, suppliers, and other stakeholders.

Example A team leader who listens to employee concerns, resolves conflicts, encourages teamwork, and motivates employees to achieve targets is demonstrating strong human skills. In a college, a department head who maintains good relationships with faculty members and students also exhibits effective human skills.

3. Conceptual Skills

Conceptual skills refer to the ability to understand the organization as a whole and recognize how different departments and activities are interconnected. These skills help managers think strategically, analyze complex situations, and make long-term decisions.

Conceptual skills are particularly important for **top-level managers**, who are responsible for organizational vision, policy formulation, and strategic planning.

Example A CEO planning future business expansion, evaluating market opportunities, and developing long-term strategies uses conceptual skills. Similarly, a university vice-chancellor designing a long-term development plan for the institution demonstrates conceptual thinking.

2. Functions of Management

1. Planning
2. Organizing
3. Staffing
4. Directing
5. Co-ordinating
6. Reporting
7. Budgeting
8. Controlling
9. Motivation

1. Planning (To decide What? , Where?, When?, How?, Who?, Why?)

Planning is the fundamental management function, which involves **deciding in advance** , what is to be done, when is it to be done, how it is to be done and who is going to do it.

It is an **intellectual process** which **lays down** an **organization's objectives and develops various courses of action**,

2. Organizing (To give authority & Responsibility)

Organizing is the establishment of effective authority relationships among selected work, persons and work places in order for the group to work together efficiently. Or the process of dividing works into sections and departments.

3. Staffing (Recruitment & Selection of right staff)

In **management**, the meaning of **staffing** is an operation of recruiting the employees by evaluating their skills, knowledge and then offering them specific job roles accordingly.

4. Directing:

DIRECTING is said to be a process in which the **managers** instruct, guide and oversee the performance of the workers to achieve predetermined goals

5. Co-ordination: (Working together for the achievement of common goal)

Coordination is the integration, unification, synchronization of the efforts of the departments to provide unity of action for pursuing common goals.

6. Reporting

Management reports help **managers** monitor the smaller details of their department. Employees submit **managerial reports** to their **managers**. It always flow from bottom to top management

7. Budgeting: (Estimation of future income & expense)

A budget is an estimation of revenue and expenses over a specified future period of time and is usually compiled and re-evaluated on a periodic basis**.**

8. Controlling

Control is a function of management which helps to check errors in order to take corrective actions. This is done to minimize deviation from standards and ensure that the stated goals of the organization are achieved in a desired manner.

1. To set standards
2. Actual performance
3. Comparison of actual performance with set standard

If required take corrective action.

9. Motivation

Motivation can be define as the process through which managers encourage employees to be productive and effective in order to achieve predefine goal.

3. Features (Characteristics) of Management

Management is a universal and dynamic process that helps organizations achieve their objectives efficiently and effectively. Understanding the characteristics of management helps us appreciate its importance in business, educational institutions, government organizations, and non-profit organizations.

1. Goal-Oriented Process
2. Universal Process
3. Continuous Process
4. Group Activity
5. Dynamic Function
6. Multidisciplinary Approach
7. Intangible Force
8. Decision-Making Process
9. Coordination-Oriented Process
10. Management as a Science and an Art
11. Social Process
12. Optimum Utilization of Resources

1. Goal-Oriented Process

Management always focuses on achieving predetermined organizational goals. Every managerial activity is directed toward accomplishing specific objectives.

Organizations are established with certain goals such as profit maximization, customer satisfaction, social welfare, or educational development. Managers coordinate human and physical resources to achieve these goals.

Ex. The objective of Blinkit is to deliver products quickly to customers. Managers plan delivery routes, allocate resources, and monitor performance to achieve this objective.

2. Universal Process

Management is required in all types of organizations regardless of their size, nature, or location.

Ex. Whether it is a business firm, hospital, school, government department, or NGO, management principles are applied everywhere.

3. Continuous Process

Management is an ongoing and never-ending activity. Planning, organizing, staffing, directing, and controlling are performed continuously throughout the life of an organization. Ex. A manufacturing company continuously plans production schedules, recruits employees, supervises workers, and monitors quality standards.

Management does not stop after achieving one objective; it continues with new goals and challenges.

4. Group Activity

Management involves coordinating the efforts of a group of people working together toward a common objective.

No organization can function through individual efforts alone. Management brings people together and directs their activities to achieve organizational goals. Ex. During a college cultural festival, different committees such as finance, decoration, and publicity work together under the guidance of management.

Management is concerned with collective efforts rather than individual activities.

5. Dynamic Function

Management is flexible and adapts itself according to changing environmental conditions.

Business environments change due to technological advancements, customer preferences, competition, government regulations, and globalization. Managers must respond to these changes effectively. Ex. During the COVID-19 pandemic, many organizations adopted work-from-home policies to continue operations. Management evolves according to changing circumstances.

6. Multidisciplinary Approach

Management draws knowledge from various disciplines and fields of study.

To solve organizational problems, managers use concepts from economics, psychology, sociology, mathematics, statistics, law, and information technology.

Discipline	Contribution to Management
Economics	Resource allocation
Psychology	Human behavior
Sociology	Group dynamics
Statistics	Decision-making
Law	Legal compliance
Information Technology	Data management

7. Intangible Force

Management cannot be seen physically, but its effects can be observed. Unlike machinery or buildings, management is invisible. However, good management can be recognized through organizational success, employee satisfaction, and efficient operations.

Ex. Customers cannot see the management system of Amazon, but they experience its effectiveness through timely deliveries and quality service. Management is felt through results rather than physical appearance.

8. Decision-Making Process

Decision-making is the essence of management. Managers continuously make decisions regarding planning, staffing, production, marketing, finance, and problem-solving.

Examples of Managerial Decisions

- Selecting employees
- Launching a new product
- Choosing suppliers

- Setting prices
- Expanding into new markets

9. Coordination as the Essence of Management

Coordination integrates the efforts of different departments and individuals. Different departments such as production, finance, marketing, and human resources must work in harmony to achieve organizational goals.

Ex. For launching a new product:

- Production manufactures the product.
- Marketing promotes it.
- Finance allocates funds.
- HR provides manpower.

Management coordinates all these activities.

10. Management is Both Science and Art

Management possesses characteristics of both science and art.

Management as a Science

- Has systematic knowledge.
- Uses principles and theories.
- Relies on observation and research.

Management as an Art

- Requires creativity and experience.
- Involves practical application.
- Depends on managerial skills.

A manager uses scientific methods to forecast sales and artistic skills to motivate employees. Effective management combines knowledge with practical skill.

11. Management is a Social Process

Management deals with people and their relationships within an organization.

Managers must understand employee needs, motivations, attitudes, and behaviors to achieve organizational goals.

Example: A manager resolves conflicts among team members through communication and counseling.

Human interaction is at the heart of management.

12. Management Ensures Optimum Utilization of Resources

Management aims to use available resources in the most efficient and effective manner.

Resources such as money, materials, machines, manpower, and time are limited. Management ensures their proper utilization.

Example: A factory manager schedules machine usage to avoid idle time and increase productivity. Management minimizes waste and maximizes productivity.

4. Henry Fayol's Administrative Management Theory

Introduction

Henri Fayol (1841–1925), a French mining engineer and management theorist, is known as the **Father of Administrative Management**. Unlike Frederick Taylor, who focused on improving worker efficiency at the shop-floor level, Fayol concentrated on improving the overall management of organizations.

Fayol believed that management is a universal activity and developed **14 Principles of Management** that can be applied to all organizations regardless of their size or nature. These principles provide guidelines for managers to achieve organizational efficiency and effectiveness.

Henri Fayol's 14 Principles of Management

1. Division of Work
2. Authority and Responsibility
3. Discipline
4. Unity of Command
5. Unity of Direction
6. Subordination of Individual Interest to General Interest

7. Remuneration
8. Centralization
9. Scalar Chain
10. Order
11. Equity
12. Stability of Tenure of Personnel
13. Initiative
14. Esprit de Corps

1. Division of Work

Division of work means breaking down a large task into smaller specialized activities and assigning them to individuals according to their skills and expertise. Specialization increases efficiency because employees become experts in their specific tasks and can perform them more quickly and accurately.

Example: In a university, different departments such as Admissions, Accounts, Examination, and Administration perform specialized functions. Since each department focuses on a particular activity, work is completed efficiently and with fewer errors.

2. Authority and Responsibility

Authority refers to the right of a manager to give orders and make decisions, while responsibility refers to the obligation to perform assigned duties. Fayol emphasized that authority and responsibility should go hand in hand. A manager given responsibility must also have adequate authority to fulfill it.

Example: A Marketing Manager is responsible for increasing sales. To achieve this responsibility, the manager must have the authority to allocate budgets, design promotional campaigns, and supervise the marketing team.

3. Discipline

Discipline refers to obedience, respect, and adherence to organizational rules and regulations. Employees should follow organizational policies, maintain punctuality, and respect authority. Good discipline promotes harmony and smooth functioning within the organization.

Example: Employees in a manufacturing company are expected to follow safety procedures, maintain attendance, and comply with workplace regulations. Consistent adherence to these rules reflects organizational discipline.

4. Unity of Command

According to this principle, an employee should receive orders from only one superior. Receiving instructions from multiple supervisors may create confusion, conflict, and inefficiency. A clear reporting relationship helps employees understand their responsibilities.

Example: A sales executive reporting only to the Sales Manager receives clear instructions regarding targets and customer interactions. If the executive receives orders from both the Sales Manager and Marketing Manager simultaneously, confusion may arise.

5. Unity of Direction

Unity of Direction means that all activities having the same objective should be directed by one manager and one plan. It ensures coordination and alignment of efforts toward a common organizational goal.

Example: A company launching a new product may involve departments such as production, marketing, and finance. All these activities should be coordinated under a single product launch plan managed by one responsible authority.

6. Subordination of Individual Interest to General Interest

The interests of the organization should take precedence over individual interests. Employees and managers should prioritize organizational goals rather than personal gains to ensure long-term success.

Example: An employee may prefer taking leave during a critical project period. However, if the project deadline is important for organizational success, the employee may postpone leave to support the team's objective.

7. Remuneration

Employees should receive fair and adequate compensation for their work. Appropriate remuneration motivates employees, increases job satisfaction, and encourages better performance. Compensation should be equitable for both employees and employers.

Example: Companies often provide performance-based incentives and bonuses in addition to salaries. Such compensation systems encourage employees to work efficiently and contribute to organizational growth.

8. Centralization and Decentralization

Centralization refers to the concentration of decision-making authority at the top levels of management. In a centralized organization, important decisions are made by senior executives, and lower-level employees have limited authority. Centralization ensures uniformity in policies, better control, and consistency in decision-making.

Decentralization refers to the systematic delegation of authority to lower levels of management. In a decentralized organization, managers at different levels are empowered to make decisions related to their areas of responsibility. Decentralization promotes faster decision-making, flexibility, and employee participation.

The choice between centralization and decentralization depends on factors such as organizational size, management philosophy, nature of business, and environmental conditions.

9. Scalar Chain

Scalar Chain refers to the formal line of authority that extends from the highest level of management to the lowest level. Communication should generally follow this chain to maintain organizational order and discipline.

Example: In a college, communication may flow from the Principal to Department Heads, then to Faculty Members, and finally to Students. This follows the established chain of command.

10. Order

Order means maintaining the right arrangement of people and resources in the right place at the right time. Proper organization of resources reduces confusion and improves efficiency.

Example In a library, books are arranged according to subjects and categories. This systematic arrangement helps students locate books quickly and efficiently.

11. Equity

Managers should treat employees with fairness, kindness, and respect. Equity promotes employee loyalty, motivation, and a positive work environment. Employees who feel fairly treated are more committed to organizational goals.

Example: If two employees perform similar work with similar qualifications and experience, they should receive equal treatment and opportunities for promotion.

12. Stability of Tenure of Personnel

Employees should have job security and sufficient time to develop their skills. Frequent employee turnover increases recruitment costs, disrupts operations, and reduces organizational efficiency.

Example

Many organizations invest in employee training and retention programs to reduce turnover and retain experienced workers for longer periods.

13. Initiative

Initiative refers to the freedom and encouragement given to employees to propose ideas and take action. Employees who are allowed to contribute suggestions often become more motivated and innovative.

Example: A customer service employee suggests a new method for handling customer complaints more efficiently. Management adopts the suggestion, resulting in improved customer satisfaction.

14. Esprit de Corps (Team work)

Esprit de Corps means promoting team spirit, unity, cooperation, and harmony among employees. A strong sense of belonging encourages collaboration and improves organizational performance.

Example: Organizations often organize team-building activities, annual gatherings, and employee engagement programs to strengthen teamwork and create a positive organizational culture.

1. Empirical Approach (Case Study Approach)

Meaning

The **Empirical Approach** is based on the belief that management knowledge can be developed through practical experience and observation. It emphasizes learning from the successes and failures of managers and organizations in the past. This approach is also known as the **Case Study Approach** because it relies on analyzing real-life business situations.

According to this approach, managers can improve their decision-making abilities by studying previous managerial experiences and applying relevant lessons to current situations. Rather than depending entirely on theories, managers learn from actual business practices.

Example

Business schools use case studies of companies such as Tata Group, Reliance Industries, and Apple to teach management principles. Students analyze these cases to understand how managers handled challenges and achieved success.

Advantages

- Based on real-life experiences.
- Practical and easy to understand.
- Helps managers avoid past mistakes.
- Improves decision-making skills.
- Provides valuable managerial insights.

Limitations

- Past solutions may not fit present situations.
- Every business problem is unique.
- Difficult to develop universal principles.
- Excessive dependence on experience.
- May discourage innovation.

2. Frederick Taylor's Scientific Management Approach

Meaning

The **Scientific Management Approach** was developed by **Frederick Winslow Taylor**, known as the Father of Scientific Management. He believed that productivity could be increased by applying scientific methods to work activities.

Taylor argued that traditional "rule of thumb" methods should be replaced with scientifically tested methods. Scientific management focuses on finding the most efficient way to perform a task through careful study of work processes, time requirements, and worker performance.

The main objective of this approach is to increase productivity, reduce waste, and improve efficiency.

Principles of Scientific Management

1. Science, Not Rule of Thumb

Traditional methods should be replaced with scientifically developed methods.

2. Harmony, Not Discord

Management and workers should cooperate rather than engage in conflicts.

3. Cooperation, Not Individualism

Managers and workers should work together for organizational success.

4. Maximum Output

Organizations should focus on maximizing productivity instead of restricting output.

5. Development of Workers

Workers should be scientifically selected and trained.

Example

An automobile manufacturing company studies the time required to assemble a car and redesigns the process to eliminate unnecessary movements. As a result, production increases and costs decrease.

Advantages

- Increases productivity.
- Reduces wastage of resources.

- Improves efficiency.
- Promotes scientific work methods.
- Enhances worker training and specialization.

Limitations

- Ignores human emotions and social needs.
- Treats workers like machines.
- Creates monotony due to repetitive work.
- Excessive emphasis on productivity.
- May lead to worker dissatisfaction.

3. Henry Fayol's Administrative Management Approach

In this answer below Fayol's 14 Principles is to be explain in detail.

1. Division of Work
2. Authority and Responsibility
3. Discipline
4. Unity of Command
5. Unity of Direction
6. Subordination of Individual Interest
7. Remuneration
8. Centralization
9. Scalar Chain
10. Order
11. Equity
12. Stability of Tenure
13. Initiative
14. Esprit de Corps

4. Social System Approach

Meaning

The **Social System Approach** views an organization as a social system consisting of people, groups, and relationships. This approach emphasizes that organizational success depends not only on technology and resources but also on human interactions and cooperation.

According to this approach, employees are social beings whose attitudes, motivations, and relationships influence productivity. Managers should focus on communication, teamwork, employee satisfaction, and group behavior.

This approach emerged largely from the findings of the Hawthorne Studies conducted by Elton Mayo.

Example

Google encourages employee participation, teamwork, open communication, and employee welfare programs to improve productivity and job satisfaction.

Advantages

- Improves employee morale.
- Encourages teamwork.
- Strengthens communication.
- Increases employee satisfaction.
- Reduces workplace conflicts.

Limitations

- May overlook economic factors.
- Difficult to measure social relationships.
- Excessive focus on human relations.
- Does not provide specific managerial techniques.
- Social needs may conflict with organizational goals.

5. Decision Theory Approach

Meaning

The **Decision Theory Approach** considers decision-making as the essence of management. Developed primarily by **Herbert A. Simon**, this approach argues that managers spend most of their time making decisions.

Managers continuously identify problems, collect information, evaluate alternatives, and select the best course of action. The effectiveness of management depends largely on the quality of decisions made.

The approach emphasizes rational thinking, logical analysis, and systematic problem-solving.

Example

A company deciding whether to launch a new product conducts market research, analyzes costs and expected profits, evaluates alternatives, and then makes a decision.

Advantages

- Improves decision quality.
- Encourages logical thinking.
- Supports scientific analysis.
- Helps solve complex problems.
- Promotes rational decision-making.

Limitations

- Complete information is rarely available.
- Human decisions are not always rational.
- Decision-making can be time-consuming.
- Environmental uncertainty affects decisions.
- Quantitative analysis may ignore human factors.

6. Systems Approach

Meaning

The **Systems Approach** views an organization as an integrated system made up of interrelated and interdependent parts. Each department or subsystem contributes to achieving organizational objectives.

According to this approach, organizations receive inputs from the environment, process them through various activities, and produce outputs. Feedback helps improve future performance.

Managers must understand the relationships among different departments because changes in one part affect the entire organization.

Example of Systems Approach: Decrease in Sales Problem

A company experiences a **significant decrease in sales** over the last six months. According to the **Systems Approach**, management should not blame only the Sales Department because the organization is viewed as an interconnected system where all departments are related.

The manager analyzes the entire system to identify the root cause:

- **Marketing Department:** Advertising campaigns may be ineffective.
- **Production Department:** Product quality may have declined.
- **Finance Department:** Product prices may be higher than competitors.

- **Human Resource Department:** Sales staff may lack proper training and motivation.
- **Research & Development Department:** Products may not meet changing customer preferences.
- **Customer Service Department:** Poor after-sales service may be causing customer dissatisfaction.

After examining all interconnected departments, management discovers that customer complaints about product quality have increased, leading to negative reviews and reduced demand. The Production Department improves quality standards, Marketing launches a new promotional campaign, and HR provides training to sales employees.

As a result, customer satisfaction improves and sales gradually increase.

7. Contingency Approach

Meaning

The **Contingency Approach** states that there is no single best way to manage an organization. Management practices should vary according to the situation.

According to this approach, managerial decisions depend on factors such as organizational size, technology, environmental conditions, employee characteristics, and organizational objectives.

Managers should analyze the situation carefully and select the most appropriate management technique for that particular circumstance.

Example

During the COVID-19 pandemic, many organizations shifted from office-based work to remote work. Managers adapted their leadership and communication styles according to the new situation.

Advantages

- Flexible and practical.
- Suitable for changing environments.
- Encourages innovation.
- Improves problem-solving.
- Adapts management practices to situations.

Limitations

- No clear universal guidelines.
- Difficult to identify the best solution.
- Requires highly skilled managers.
- Can create inconsistency.
- Decision-making may become complicated.

Management as a science and an art

Management is both an art and a science. It is an art in the sense of possessing of managing skill by a person. In another sense, management is the science because of developing certain principles or laws which are applicable in a place where a group of activities are coordinated.

Management as Science

1. Universally accepted principles

2. Experimentation & observation

3. Cause & Effect relationship

Management as Art

1. Practical knowledge

2. Personal skill

3. Creativity

4. Perfection through practice

5. Goal oriented

Management As Science

1. Universally acceptable principles –

1. Universally acceptable principles –

Scientific principles represents basic truth about a particular field of enquiry. These principles may be applied in all situations, at all time & at all places.

E.g. – law of gravitation which can be applied in all countries irrespective of the time.

Management also contains some fundamental principles which can be applied universally like the **Principle of Unity of Command** i.e. one man, one boss, functions of management, etc. This principle is applicable to all type of organization – business or non business

2. Experimentation & Observation –

Scientific principles are derived through scientific investigation & researching i.e. they are based on logic. E.g. the principle that earth goes round the sun has been scientifically proved.

Management principles are also based on scientific enquiry & observation and not only on the opinion of Henry Fayol. They have been developed through **experiments & practical experiences** of large number of managers.

E.g. it is observed that fair remuneration to personal helps in creating a satisfied work force.

3. Cause & Effect Relationship –

Principles of science lay down cause and effect relationship between various variables. **E.g. when metals are heated, they are expanded**. The cause is heating & result is expansion.

The same is true for management, therefore it also establishes cause and effect relationship. E.g. lack of parity (balance) between authority & responsibility will lead to **ineffectiveness**. If you know the cause i.e. lack of balance, the effect can be ascertained easily -in effectiveness. Similarly if workers are given **bonuses, fair wages** they will **work hard** but when not treated in fair and just manner, reduces productivity of organization.

Management as Art

1.Practical Knowledge:

Every art requires practical knowledge therefore learning of theory is not sufficient. It is very important to know practical application of theoretical principles. E.g. to become a good painter, the person may not only be knowing different color and brushes but different designs, dimensions, situations etc. to use them appropriately. A manager can never be successful just by obtaining degree or diploma in management; he must have also know how to apply various principles in real situations by functioning in capacity of manage.

2. Personal Skill:

Although theoretical base may be same for every artist, but each one has his own style and approach towards his job. That is why the level of success and quality of performance differs from one person to another. E.g. there are several qualified painters but **M.F. Hussain** is recognized for his style. Similarly management as an art is also personalized. Every manager has his own way of managing things based on his knowledge, experience and personality, that is why some managers are known as good managers (like Aditya Birla, Rahul Bajaj) whereas others as bad.

3. Creativity:

Every artist has an element of creativity in line. That is why he aims at producing something that has never existed before which requires combination of intelligence & imagination.

Management is also creative in nature like any other art. It combines human and non-human resources in useful way so as to achieve desired results. It tries to produce sweet music by combining chords in an efficient manner.

4. Perfection through practice:

Practice makes a man perfect. Every artist becomes more and more proficient through constant practice.

Similarly managers learn through an art of trial and error initially but application of management principles over the years makes them perfect in the job of managing.

5. Goal-Oriented:

Every art is result oriented as it seeks to achieve concrete results. In the same manner, management is also directed towards accomplishment of pre-determined goals. Managers use various resources like men, money, material, machinery & methods to promote growth of an organization. Thus, we can say that management is an art.