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## IMPORTANCE OF MANAGEMENT

### 1. It helps in Achieving Group Goals -

It arranges the factors of production, assembles and organizes the resources, integrates the resources in effective manner to achieve goals.

It directs group efforts towards achievement of pre-determined goals. By defining objective of organization clearly there would be no wastage of time, money and effort.

Management converts disorganized resources of men, machines, money etc. into useful enterprise. These resources are coordinated, directed and controlled in such a manner that enterprise work towards attainment of goals.

### 2. Optimum Utilization of Resources -

Management utilizes all the physical & human resources productively. This leads to efficacy in management. Management provides maximum utilization of scarce resources by selecting its best possible alternate use in industry from out of various uses.

It makes use of experts, professional and these services leads to use of their skills, knowledge, and proper utilization and avoids wastage. If employees and machines are producing its maximum there is no under employment of any resources.



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### 3.Reduces Costs -

It gets maximum results through minimum input by proper planning and by using minimum input & getting maximum output.

Management uses physical, human and financial resources in such a manner which results in best combination. This helps in cost reduction

### 4.Establishes Sound Organization -

No overlapping of efforts (smooth and coordinated functions). To establish sound organizational structure is one of the objective of management which is in tune with objective of organization and for fulfillment of this.

It establishes effective authority & responsibility relationship i.e. who is accountable to whom, who can give instructions to whom, who are superiors & who are subordinates. Management fills up various positions with right persons, having right skills, training and qualification. All jobs should be cleared to everyone.

5.Establishes Equilibrium - It enables the organization to survive in changing environment. It keeps in touch with the changing environment. With the change in external environment, the initial co-ordination of organization must be changed. So it adapts organization to changing demand of market / changing needs of societies. It is responsible for growth and survival of organization

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## **6. Essentials for Prosperity of Society -**

**Efficient management leads to better economical production which helps in turn to increase the welfare of people. Good management makes a difficult task easier by avoiding wastage of scarce resource.**

**It improves standard of living. It increases the profit which is beneficial to business and society will get maximum output at minimum cost by creating employment opportunities which generate income in hands. Organization comes with new products and researches beneficial for society.**

## **7. To hold individuals accountable**

**Controlling helps to identify who is doing what in an organization. It helps you decide who to keep in your team and who is not worth it. It is this function of management that helps organization conduct performance appraisal, which is a very crucial element in business.**

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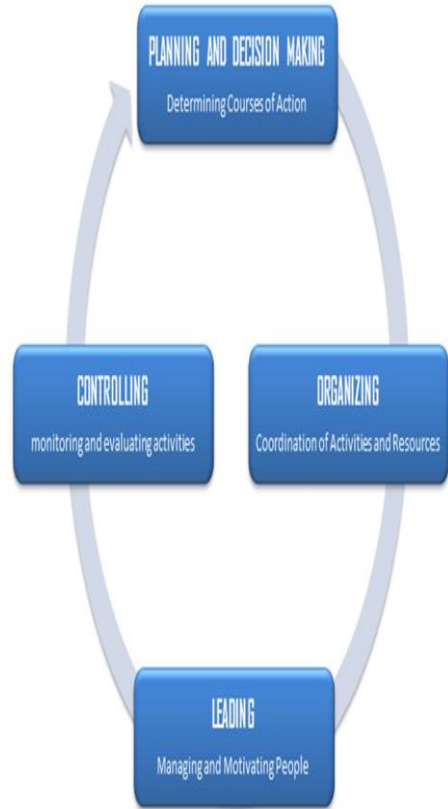
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## Functions of Management

Functions of management are a systematic way of doing things. Management is a process to emphasize that all managers, irrespective of their aptitude or skill, engage in some inter-related functions to achieve their desired goals.

Management process/functions involve 4 basic activities;

1. **Planning and Decision Making** – – Determining Courses of Action,
2. **Organizing** – Arrange Activities and Resources,
3. **Leading/directing/coordinating** – Managing, Motivating and Directing People,
4. **Controlling** – Monitoring and Evaluating activities



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## 1.Planning

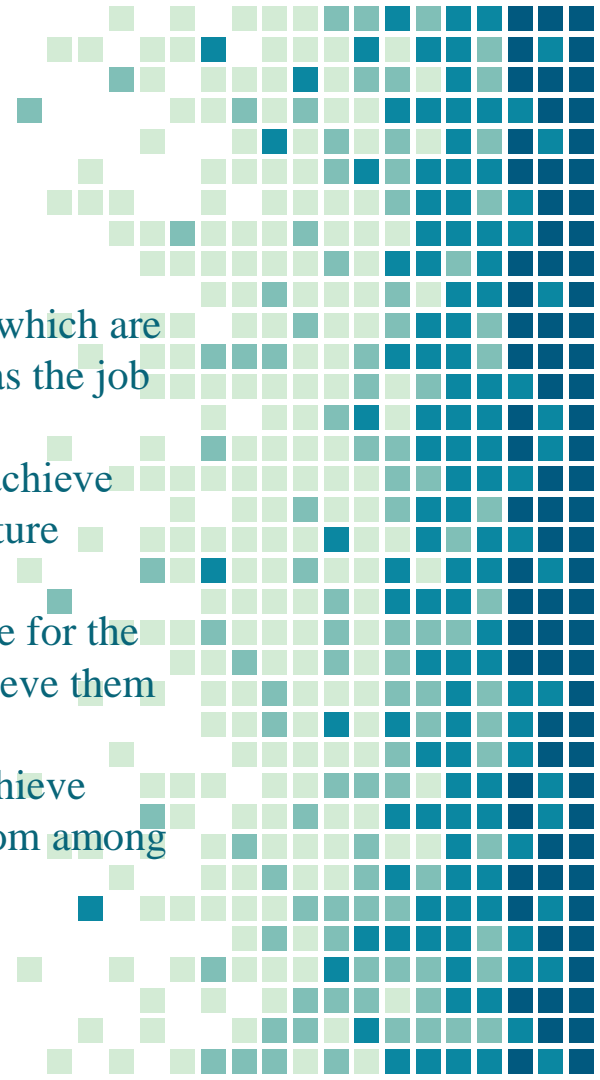
### Determining Courses of Action

Looking ahead into the future and predict possible trends or occurrences which are likely to influence the working situation is the most vital quality as well as the job of a manager.

Planning means setting an organization's goal and deciding how best to achieve them. Planning is decision making, regarding the goals and setting the future course of action from a set of alternatives to reach them.

The plan helps to maintain managerial effectiveness as it works as a guide for the personnel for future activities. Selecting goals as well as the paths to achieve them is what planning involves.

Planning involves selecting missions and objectives and the actions to achieve them, it requires decision-making or choosing future courses of action from among alternatives.



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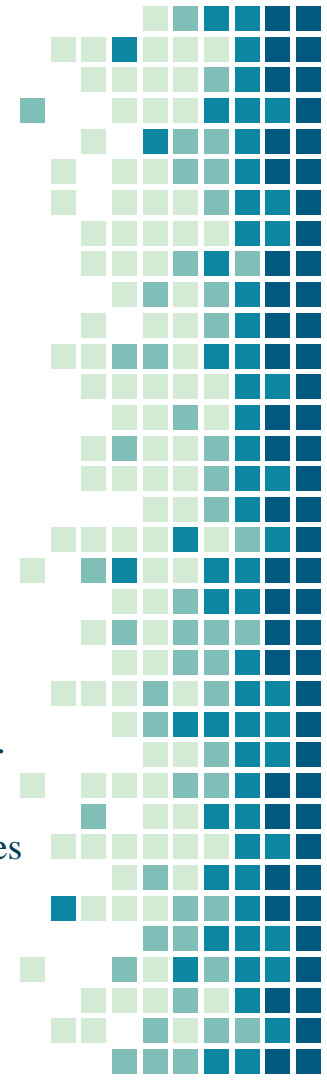
## 2. Organizing – Arranging Activities and Resources

Organizing can be defined as the process by which the established plans are moved closer to realization. Once a manager set goals and develops plans, his next managerial function is organizing human resource and other resources that are identified as necessary by the plan to reach the goal. Organizing involves determining how activities and resources are to be assembled and coordinated.

The organization can also be defined as an intentionally formalized structure of positions or roles for people to fill in an organization. Organizing produces a structure of relationships in an organization and it is through these structured relationships that plans are pursue Organizing, then, is that part of managing which involves: establishing an intentional structure of roles for people to fill in the organization. It is intentional in the sense of making sure that all the tasks necessary to accomplish goals are assigned to people who can do the best.

The purpose of an organization structure is to create an environment for the best human performance.

The structure must define the task to be done. The rules so established must also be designed in light of the abilities and motivations of the people available. Staffing is related to organizing and it involves filling and keeping filled, the positions in the organization structure.



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This can be done by determining the positions to be filled, identifying the requirement of manpower, filling the vacancies and training employees so that the assigned tasks are accomplished effectively and efficiently.

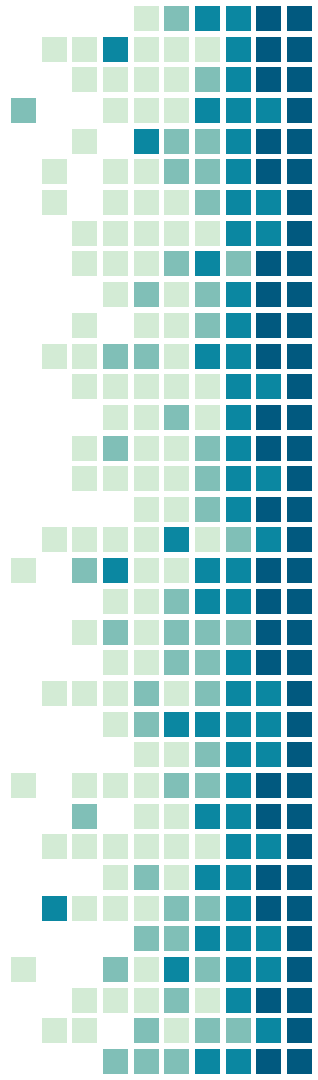
The managerial functions of promotion, demotion, discharge, dismissal, transfer, etc. Are also included with the broad task “staffing.” staffing ensures the placement of the right person in the right position. Organizing is deciding where decisions will be made, who will do what jobs and tasks, who will work for whom, and how resources will assemble.

### 3. Leading/directing – Managing, Motivating and Directing People

The third basic managerial function is leading it is the skills of influencing people for a particular purpose or reason. Leading is considered to be the most important and challenging of all managerial activities. Leading is influencing or prompting the member of the organization to work together with the interest of the organization.

Creating a positive attitude towards the work and goals among the members of the organization is called leading. It is required as it helps to serve the objective of effectiveness and efficiency by changing the behavior of the employees.

Leading involves several deferment processes and activates. The functions of direction, motivation, communication, and coordination are considered a part of the leading processor system. Coordinating is also essential in leading.



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Most authors do not consider it a separate function of management.

Rather they regard coordinating as the essence of managership for achieving harmony among individual efforts towards accomplishing group targets.

Motivating is an essential quality for leading. Motivating is the function of the management process of influencing people's behavior based on the knowledge of what cause and channel sustain human behavior in a particular committed direction.

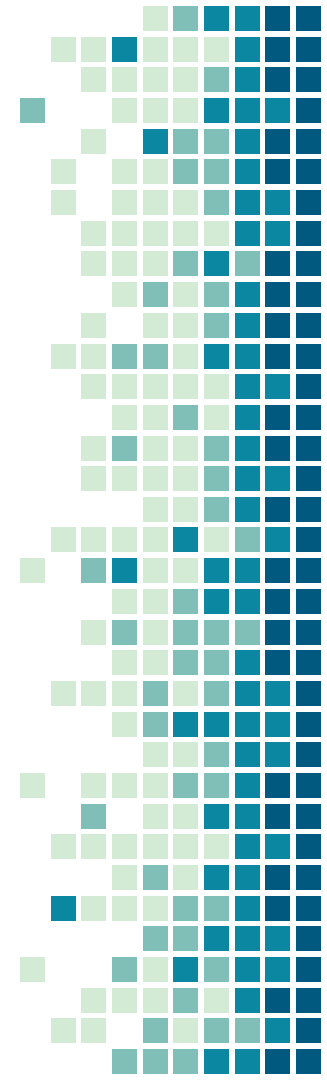
Efficient managers need to be effective leaders.

Since leadership implies fellowship and people tend to follow those who offer a means of satisfying their own needs, hopes and aspirations, understandably, leading involves motivation leadership styles and approaches and communication.

#### 4. Controlling – Monitoring and Evaluating Activities

Monitoring the organizational progress toward goal fulfillment is called controlling. Monitoring progress is essential to ensure the achievement of organizational goals.

Controlling is measuring, comparing, finding deviation and correcting the organizational activities which are performed for achieving the goals or objectives. Controlling consists of activities, like; measuring the performance, comparing with the existing standard and finding the





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deviations, and correcting the deviations.

Control activities generally relate to the measurement of achievement or results of actions that were taken to attain the goal. Some means of controlling, like the budget for expenses, inspection records, and the record of labor hours lost, are generally familiar. Each measure also shows whether plans are working out.

If deviations persist, correction is indicated. Whenever results are found to differ from the planned action, persons responsible are to be identified and necessary actions are to be taken to improve performance. Thus outcomes are controlled by controlling what people do. Controlling is the last but not the least important management function process.

It is rightly said, “Planning without controlling is useless”. In short, we can say the controlling enables the accomplishment of the plan. All the management functions of its process are inter-related and cannot be skipped. The management process designs and maintains an environment in which personnel’s, working together in groups, accomplish efficiently selected aims.

All managers carry out the main functions of management; planning, organizing, staffing, leading and controlling. But depending on the skills and position on an organizational level, the time and labor spent in each function will differ.

Planning, organizing, leading, and controlling are the 4 functions of management; which work as a continuous process.

