

# CHAPTER: 4: MANAGEMENT PRINCIPLES Date 13/8/2020 ①

Meaning: Management is the art of getting things done through others. The others includes 5'M' in management.

5'M'

- M = Money / Finance / Funds / Cash / Capital.
- M = Materials
- M = Methods.
- M = Manpower / Human Resources.
- M = Machines.

Def:

According to Koontz "Management is the art of getting things done through and with people in formally organized groups."

According to Peter F. Drucker, "Management is a multipurpose organ that manages a business and manages managers and manages worker and work."

Features of Management:

- 1- Management is universal, 2- Management is purposeful.
- 3- Management is a unifying force, 4- Management is a social process.
- 5- Management is multidisciplinary.
- 6- Management is a continuous process, 7- Management is intangible, 8- Management is situational.
- 9- Management is essentially an executive function. 10- Management is an art as well as a science.

Principles of Management: → (Henri Fayol)

- 1- Division of work, 2. Authority and Responsibility
- 3- Discipline, 4- Unity of command, 5. Unity of ~~command~~ Direction.
- 6- Subordination of individual to General interests.
- 7- Remuneration of Personnel 8. Centralisation. 9. Scalar chain. 10. order. 11. Equity, 12. Stability of Tenure of personnel. 13. Initiative. 14. Esprit de corps.

14/08/2020

## PRINCIPLES FUNCTIONS OF MANAGEMENT:

1. PLANNING: → It means thinking before doing, i.e. what to do, how to do, and when to do. It is a future course of action. Planning is a mental process requiring the use of intellectual faculties, foresight, imagination and sound judgement.

2. Organising: → It is the process of establishing (2) harmonious authority-responsibility relationships among the members of the enterprise.  
According to Fayol, "to organise a business is to provide it with everything useful to its functioning—raw materials, tools, capital and personnel."

3. Staffing: → It is the process of filling all positions in the organisation with adequate and qualified personnel. Staffing consists of manpower planning, recruitment, selection, training, compensation and maintenance of employees.

4. Directing: → It is the managerial function of guiding, supervising, motivating and leading people towards the attainment of planned targets of performance. Directing includes the following activities:

- (a) Motivation, i.e., creating the willingness to work for certain objectives.
- (b) Leadership or influencing the behaviour of employees.
- (c) Communication, i.e., establishing understanding with employees regarding plans and their implementation.

5. Controlling: → Controlling is the process of ensuring that the organisation is moving in the desired direction and that progress is being made towards the achievement of goals. The process of controlling involves the following steps:

- (a) establishing standards for measuring work performance.
- (b) measurement of actual performance and comparing it with the standards.
- (c) finding variances between the two and the reasons thereof.
- (d) taking corrective action.

Levels of Management: →

1. TOP Management.
2. Middle Management.
3. Supervisory Management / Lower Mgt.