



# UGC-NET

## Management

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**PAPER – 2 || VOLUME – 1**



# INDEX

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## Unit – I

1. Management	1
2. Functions	9
3. Communication	14
4. Decision Making	33
5. Organisation Structure and Design	44
6. Managerial Economics	68
7. Demand analysis	70
8. National Income	80
9. Inflation	92
10. Business Ethics & CSR	96
11. Ethical Issues & Dilemma	98
12. Corporate Governance	116

## Unit – II

1. Organisational Behaviour	127
2. Individual Behaviour	131
3. Group Behaviour	166
4. Interpersonal Behaviour & Transactional Analysis	175
5. Organizational Culture & Climate	180
6. Work Force Diversity & Cross Culture Organisational Behaviour	187
7. Emotions and Stress Management	190
8. Organisational Justice and Whistle Blowing	195
9. Human Resource Management	199

<b>10. Human Resource Planning, Recruitment and Selection, Induction, Training and Development</b>	<b>201</b>
<b>11. Job Analysis, Job Evaluation and Compensation Management</b>	<b>208</b>

# Unit 1

## Chapter 1

### 1. Management

- \* Concept
- \* Process
- \* Theories and Approaches
- \* Management Roles and Skills

### 2. Functions

- \* Planning
- \* Organizing
- \* Staffing
- \* Coordinating
- \* Controlling.

## #Management - Concept, Process, Theories and Approaches, Management Roles and Skills

### Management - Concept:

An organization is a group of people working together in a structured and coordinated fashion to achieve a set of goals. Managers are responsible for using the organization's resources to help achieve its goals. Management can be defined as a set of activities (including planning and decision making, organizing, leading, and controlling) directed at an organization's resources (human, financial, physical, and information), with the aim of achieving organizational goals in an efficient and effective manner.

### Levels of management:

1. Top-level management - Relatively small group of executives who manage the overall organization.

Title: President, Vice President, and Chief Executive Officer

Functions: Create the organization's goals, overall strategy, operating policies.

Make decisions about activities such as acquiring other companies, investing in research and development, entering or abandoning various markets and building new plants and office facilities.

2. **Middle Management** - Largest group of managers in most organizations

Title: Plant manager, Operations manager and Division head and so on..

Functions: Responsible for implementing the policies and plans developed by top managers

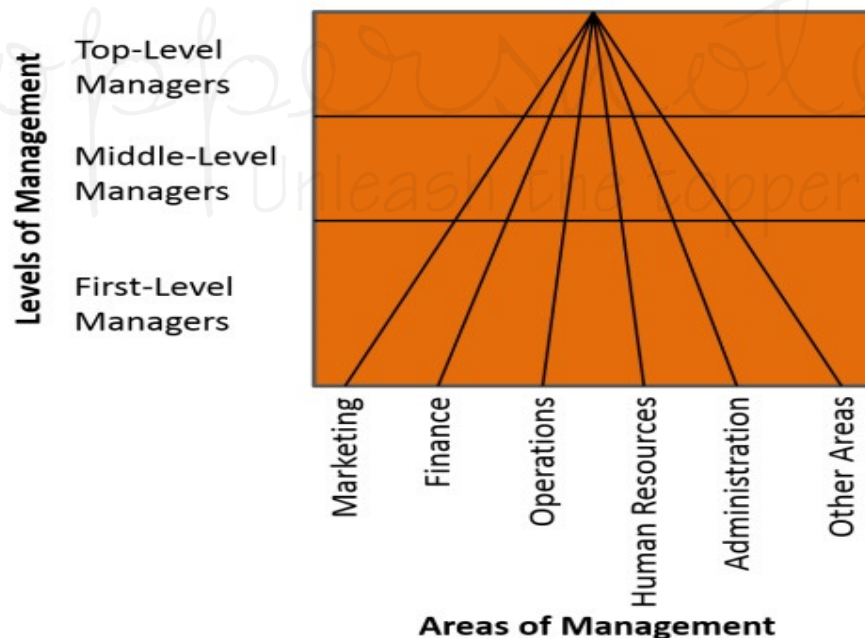
Supervising and coordinating the activities of lower level managers

3. **First -line managers** - Managers who supervise and coordinate the activities of operating employees

Title: Supervisor, Coordinator and Office manager

Functions: Supervision and Coordination of activities of operating employees

**Functional managers:** Regardless of their level, managers may work in various areas within an organisation known as functional managers - Marketing managers, Operations Managers, Financial managers, Human Resource Managers and Administrative managers.



### Importance of Management:

1. Management is a critical element in the economic growth of a country
2. It is essential in all organized efforts, be it a business activity or any other activity
3. It is the dynamic, life-giving element in every organisation.

## Process of Management - Different aspects:

- \* Newman and Summer: Organizing, Planning, Leading and Controlling
- \* Henri Fayol: Planning, Organizing, Commanding, Coordinating and Controlling
- \* Luther Gulick: POSDCOR-Planning, Organizing, Staffing, Directing, Coordinating, Reporting and Budgeting
- \* Haynes and Massie: Decision making, Organization, Staffing, Planning, Controlling, Communicating and directing
- \* Koontz: Planning, Organizing, Staffing, Directing and Controlling  
 Innovating - a modern aspect of management process

### (A) Management Process:



### (B) Elements of Management Process (Functions of Management):



## 1. Management - Theories and Approaches:

### Early Classical Approach:

Scientific Management theory: focus on the ways to improve the performance of individual workers.

### Contributed by:

- \* Fredrick W. Taylor (1856-1915) - Scientific Management
- \* Frank Gilbreth (1868- 1924) and Lillian Gilbreth (1878-1972) - Time and Motion Study

### Fredrick W. Taylor (1856-1915) - Father of Scientific Management

- \* Experiments done at: Midvale Steel, Simonds Rolling Machine and *Bethlehem Steel*
- \* Study about: Worker Productivity and Optimization

### Steps in Scientific Management:

1. Replace rule of thumb and work methods based on scientific study of the tasks
2. Scientifically select the employees and train them to do the job rather than passively leaving them to train themselves
3. Supervise employees to make sure they follow the prescribed methods for performing their jobs
4. Continue to plan the work, but use the workers to get the work done

### Contributions to Scientific Management:

1. Differential Payment - Linking incentives with production
2. Gantt Chart - Charting system for productivity control - the idea of rating an employees' work publicly
3. Motion and Fatigue study - 17 basic types - Therbligs - shorthand symbol for each movement of work

### Limitations of Scientific Management:

1. It applies to only muscular tasks at the floor level and neglects problem solving and decision making.

2. Economic incentive, which is the only motivation for increased production in this concept, does not serve the every other purpose of man.
3. No individuals contribute to the work in the same motions taught and expected.

## 2. Administrative Management theory: focuses on managing the total organization

### Contributed by:

- \* Henri Fayol (1841-1925) - Father of Administrative Management
- \* Lyndall Urwick (1891-1983)

### Henri Fayol (1841-1925) - Father of Administrative Management

His perspective extended beyond the shop level and the physical production processes and was of macro nature, covering the general administrative and managerial functions and processes at the organisation. He was the first person to identify the specific managerial functions of planning, organizing, leading and controlling. He also classified the functions into six groups as technical, commercial, financial, accounting, security and administration.

### Limitations of Administrative Management:

1. These principles are not tested empirically ; based on few case studies only
2. The principles resulted into the formation of mechanistic organisation structures which are insensitive to the employees' social and psychological needs.
3. These are based on the assumption that organisations are closed systems.

## 3. Bureaucratic Management theory: focus on the legitimate and formal system of authority.

Contributed by: Max Weber (1864-1920) - Father of Bureaucratic Management

### Contributions to Bureaucratic Management:

Three types of Administration:

- \* *Leader Oriented* - **There** is no delegation of management functions. All employees serve as loyal subjects of leader.
- \* *Tradition Oriented*- Managerial positions are handed down from generation to generation.
- \* *Bureaucratic Oriented* -Delegation of management responsibilities is based on the person's demonstrated ability to hold the position.



## Features of Bureaucratic Administration:

1. Insistence on following standard rules
2. Systematic division of work
3. Principle of Hierarchy
4. Knowledge and Training in the application of rules
5. Rational Personnel Administration

## Limitations of Bureaucratic Administration:

1. Over conformity to rules
2. Buck Passing
3. Trained incapacity
4. Displacement of Goals
5. No real right of appeal
6. Neglect of informal groups
7. Rigid structure
8. Inability to satisfy the needs of mature individuals

## Neo- Classical Approach:

These approaches do not reject the classical concepts but only try to refine and improve them.

1. **Behavioural management** - Places more emphasis on individual attitudes, behaviours, and group processes and recognized the importance of behavioral processes in the workplace.

## Contributions:

1. **Hugo Munsterberg (1863-1916)** - Father of Industrial Psychology - the practice of applying psychological concepts to industrial settings
2. **Mary Parker Follet (1868-1933)** - Constructive conflict and coordination
3. **Chester Barnard (1886-1961)** - Cooperation and Acceptance of Authority
4. **Elton Mayo** - Hawthorne Studies (1927-1932) - sponsored by General Electric- demonstrated that social satisfaction to the workers leads to productivity.
  - (i) The role of informal groups is highly influential in an organisation
  - (ii) There is no correlation between the improved working conditions and high production
  - (iii) Non-financial rewards also significantly affect his behavior and largely limit the effect of economic incentive plan
  - (iv) **Employee**-centered, democratic and participative style of supervisory leadership is more effective than task-centered leadership

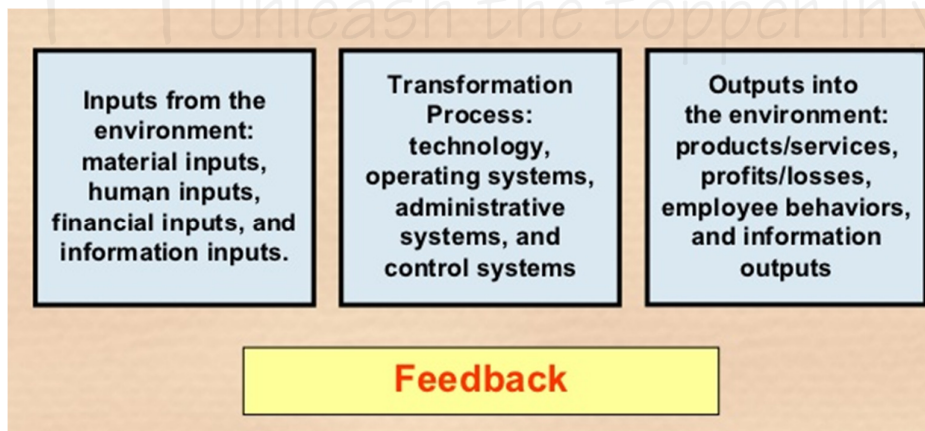
2. The Human Relations Movement - Proposed that workers primarily respond to the social context of the workplace, including social conditioning, group norms and interpersonal dynamics.

### Contributions:

1. Abraham Maslow (1908-1970) - Hierarchy of Needs theory
2. Douglas McGregor (1906-1964) - Theory X and Theory Y

### Modern Approaches:

1. The Quantitative Management Perspective - focuses on decision making , cost effectiveness, mathematical models and the use of computers
  - \* Management Science - focuses specifically on the development of mathematical models
  - \* Operations management - focuses in helping the organization produce the products or services more efficiently and can be applied to a wide range of problems.
2. Contemporary Management Perspectives -
  - \* The Systems Perspective - Views organizations as systems so that managers can better understand the importance of their environment and the level of interdependence among their organization's subsystems



- Open Systems -Interact with their environment
- Closed Systems -Do not interact with the environment
- Subsystem - A system within another system
- Synergy -Two or more systems working together to produce more than the total of what they might produce working alone
- Entropy - A normal process leading to system decline

- \* The Contingency Perspective - Suggests that universal theories cannot be applied to organizations because each organization is unique. Appropriate managerial behavior in a given situation depends on, or is contingent on, unique elements in that situation.

### Management Roles:

Henry Mintzberg has identified ten roles common to the work of all managers. The ten roles are divided into three groups:

- \* Interpersonal
- \* Informational
- \* Decisional

Category	Role	Activity
Informational	Monitor	Seek and receive information; scan periodicals and reports; maintain personal contact with stakeholders
	Disseminator	Forward information to organization members via memos, reports, and phone calls
	Spokesperson	Transmit information to outsiders via reports, memos, and speeches
Interpersonal	Figurehead	Perform ceremonial and symbolic duties, such as greeting visitors and signing legal documents
	Leader	Direct and motivate subordinates; counsel and communicate with subordinates
	Liaison	Maintain information links both inside and outside organization via mail, phone calls, and meetings
Decisional	Entrepreneur	Initiate improvement projects; identify new ideas and delegate responsibility to others
	Disturbance handler	Take corrective action during disputes or crises; resolve conflicts among subordinates; adapt to environments
	Resource allocator	Decide who gets resources; prepare budgets; set schedules and determine priorities
	Negotiator	Represent department during negotiations of union contracts, sales, purchases, and budgets

### Managerial Skills:

A skill is an individual's ability to perform physical or mental tasks with a specified outcome. *Robert Katz* identifies three types of skills that are essential for a successful management process:

- \* Technical skills - Person's knowledge and proficiency in any type of process or technique -(Lower level of management)
- \* Conceptual skills- Ability to conceptualize the environment, the organisation and his own job, so that he can set appropriate goals for his organisation, for himself and his team - (Higher Level of management)
- \* Human or interpersonal management skills - Ability to interact effectively with people at level.

### **Other Skills are as follows:**

- \* Diagnostic Skills - Skills that enable them to visualize the most appropriate response to the situation
- \* Communication Skills -Ability to both effectively convey ideas and information to others and effectively receive ideas and information from others
- \* Decision-Making Skills - Ability to correctly recognize and define problems and opportunities and to select an appropriate course of action to solve problems and capitalize on opportunities
- \* Time Management Skills - Ability to prioritize work, to work efficiently and to delegate work appropriately.

### **4 Functions of Management Process: Planning, Organizing, Leading, Controlling**

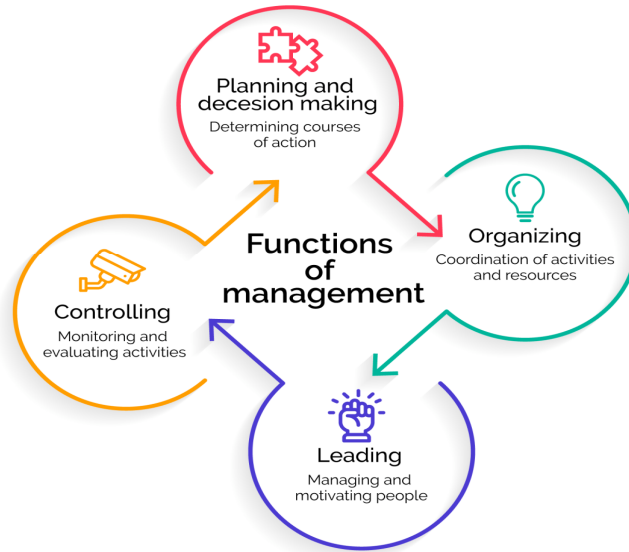
Functions of management is a systematic way of doing things. Management is a process to emphasize that all managers, irrespective of their aptitude or skill, engage in some inter-related functions to achieve their desired goals.

4 Functions of management are planning, organizing, leading and controlling that managers perform to accomplish business goals efficiently.

First; managers must set a plan, then organize resources according to the plan, lead employees to work towards the plan, and finally, control everything by monitoring and measuring the effectiveness of the plan.

### **Management process/functions involve 4 basic activities;**

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



## 1. Planning and Decision Making – 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.
- \* In short, planning means determining what the organization's position and the situation should be in the future, and decide how best to bring about that situation.
- \* Planning helps maintain managerial effectiveness by guiding future activities.
- \* For a manager, planning and decision-making require an ability to foresee, to visualize, and to look ahead purposefully.

## 2. Organizing – Coordinating 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 pursued.
- \* 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.
- \* 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 – 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



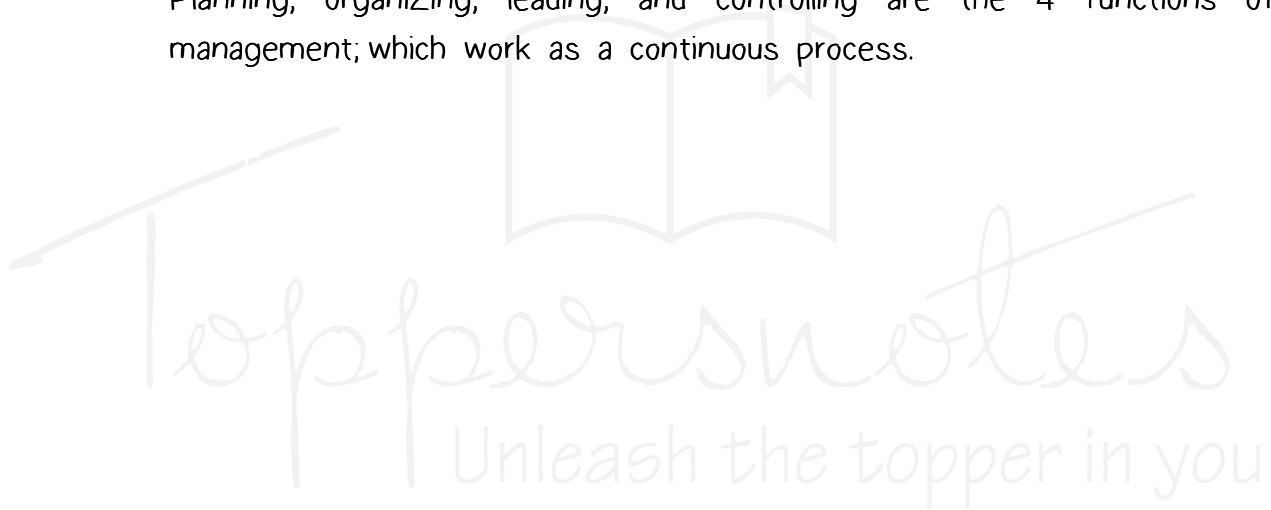
serve the objective of effectiveness and efficiency by changing the behavior of the employees.

- \* 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.
- \* 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.

## **5. Controlling – Monitoring and Evaluating Activities**

- \* Monitoring the organizational progress toward goal fulfilment 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 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.





## Unit 1

### Chapter 2

#### 1. Communication

- \* Types
- \* Process
- \* Barriers.

#### #Meaning of Communication:

The word communication has been derived from the Latin word 'communis' which means 'common'. Thus, communication means sharing of ideas in common. "When we communicate," Says Wibur Schramn, "we are trying to establish a 'commonness' with someone. That is we are trying to share information, an idea or an attitude. The essence of communication is getting the receiver and the sender 'turned' together for a particular message."

According to the shorter Oxford English Dictionary, communication means "the imparting, conveying or exchange of ideas, knowledge, etc., whether by speech, writing or signs." Communication takes place when one person transfers information and understanding to another person. It refers to the exchange of ideas, feelings, emotions, knowledge and information between two or more persons.

There is a communication when you talk or listen to someone. For instance, a teacher while delivering his lecture communicates to his students. But if he speaks or writes in a language which is not understandable to his students, there is no communication. When you read a book, its author communicates to you. But communication does not mean merely written or oral messages.

It includes everything that may be used to convey meanings from one person to another, e.g., movement of lips or the wink of an eye or the wave of hands may convey more meaning than even written or spoken words. In fact, communication is the process of conveying message from one person to another so that they are understood.

In business management, ideas, objectives, orders appeals, observations, instructions, suggestions etc. have to be exchanged among the managerial personnel and their subordinates operating at different levels of the organisation for the purpose of planning and executing the business policies. The following standard definitions will further help to understand the meaning and concept of communication in management.

"Communication is the sum of all the things one person does when he wants to create understanding in the mind of another. It is a bridge of meaning. It involves a systematic and continuous process of telling, listening and understanding."—Louis A. Allen.

"Communication is the intercourse by word, letters or messages, intercourse of thoughts or opinions. It is the act of making one's idea and opinions known to others."—Fred G. Meyer.

"Communication is the process of passing information and understanding from one person to another."—Keith Davis.

"Communication as any behaviour that results in an exchange of meaning."—The American Management Association.

"Communication may be broadly defined as the process of meaningful interaction among human beings. More specially, it is the process by which meanings are perceived and understandings are reached among human beings."— D.E. McFarland.

"Communication is a way that one organisation member shares meaning and understanding with another."—Koontz and O'Donnell.

"Simply stated, communication means the process of passing information and understanding from one person to another. Communication, fundamental and vital to all managerial functions, is the process of imparting ideas and making oneself understood by others."—Theo Haimann.

"Communication is the broad field of human interchange of facts and opinions and not the technologies of telephone, telegraph, radio and the like."— Charles F. Refield.  
"The transfer of information from one person to another whether or not it elicits confidence. But the information transferred must be understandable to the receiver."—C.G. Brown.

"In its everyday meaning, communication refers to the transmitting of information in the form of words, or signals or signs from a source to a receiver."—Keith and Gubellini.

"The word communication describes the process of conveying message (fact, ideas, attitudes and opinions) from one person to another so that they are understood."— M.W. Cummin.