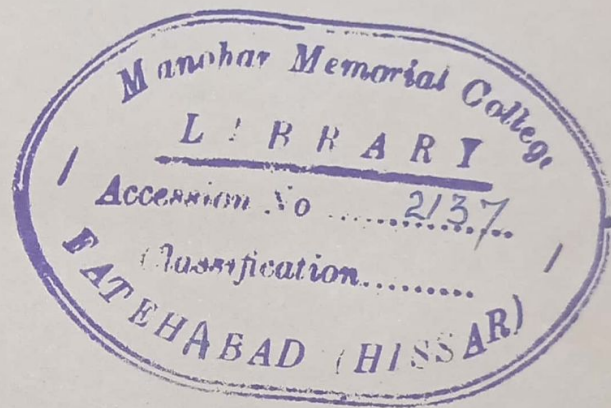


An Introduction to  
**MANAGEMENT**  
Its Principles and Techniques



# CONTENTS

CHAPTER PAGE

## *Part One ● The Process of Management*

① NATURE AND GROWTH OF MANAGEMENT .. .. . 1

Role of management : manager's contribution to productivity and social responsibilities of management—Evolution of management as a social science : benefits and limitations of the science of management, management as an art and a science, and management as a profession—History of management thought : contribution of Taylor and Fayol—Fayol's analysis of management and his observations on management principles, management training, and universality of management principles—Functions of management : planning, organization, direction and control—Scope of the managerial job in business—Terminology problems in management : administration & management, levels of management, operating work & managerial work, number of basic managerial functions, management and managing, and authority and responsibility—Principles of management and Parkinson's law.

② CO-ORDINATION .. .. . 29

Nature of co-ordination—Need for and importance of co-ordination—Principles and techniques of co-ordination—Co-ordination : internal and external.

③ DECISION MAKING .. .. . 37

Role of decision making—Classifications of decisions—Decision making and authority : limits of individual authority on decision making—Steps in decision making—Time for decision making—Individual and group decisions—Decision making and operations research : application of operations research and limitations of operations research—Decision making and information systems.

④ INNOVATIONS AND CREATIVE THINKING .. .. . 48

Importance and significance of innovations—Responsibility for innovations—Innovations stem from ideas—Sources of ideas—Research into ideas: stages in creative thinking.

## *Part Two ● Managerial Planning*

⑤ FUNDAMENTALS OF PLANNING .. .. . 55

Nature and characteristics of planning—Benefits and limitations of planning—Elements of planning : objectives, policies, procedures, programmes and budgets—Classification of plans—Important steps in planning—Planning premises—Forecasting : techniques of sales forecasting and forecasting methods in practice.



CHAPTER	PAGE
6. OBJECTIVES Introductory—Business objectives in general: productivity versus profitability—Specific objectives for managing: importance, top-level specific objectives and lower-level specific objectives—Short and long-range objectives—Pivotal role of objectives—Criteria of sound objectives.	70
7. POLICIES AND PROCEDURES Nature of policies—Need for and importance of policies—Types of policies: integration of policies—Policy formulation, communication and review—Written versus unwritten policies—Nature and importance of procedures—Establishment of procedures.	78
8. PROGRAMMING AND LONG-RANGE PLANNING Nature and importance of programming—Considerations in programming for non-repetitive action—Flexibility in planning: flexibility in routine planning and flexibility in creative planning—Long-range planning.	86
<i>Part Three ● Organization</i>	
9. ORGANIZATION DESIGN Nature of organization—Importance of organization—Steps in organization—Departmentation—Patterns of departmentation: functions, products, territories and others—Guides for assigning activities in departmentation: key factors in assigning activities—Span of supervision: Graicunas's Theory and factors determining span of supervision—Span of supervision and levels of organization.	92
10. DELEGATION AND DECENTRALIZATION Delegation versus decentralization—Nature of delegation: three aspects of delegation—Principles of delegation—Benefits and difficulties of delegation—Determinants of degree of delegation: specific or general delegation, attitude of superiors, control techniques and inconsistent behaviour of parties—Nature of decentralization—Decentralization and organization structures—Functional organization structure: expansion of functional organization structure—Divisional organization structure—Benefits of decentralization—Limitations and difficulties of decentralization—Ebbs and flows of decentralization—Factors affecting the degree of decentralization.	107
11. AUTHORITY RELATIONSHIPS IN ORGANIZATION Nature of authority relationships: recipients of authority—Role of line and staff authority—Line authority—Staff authority:	125

CHAPTER	PAGE
need for staff, kinds of staff, illustration—Uses and abuses of personal staff—Benefits and dangers of specialized staff—The problem of satisfactory line-staff relationship—Functional authority & its working: Taylor's functional foremanship.	
12. COMMITTEES AND BOARD OF DIRECTORS Nature and purpose of committees: group executive versus individual executive—Reasons for the creation of committees—Limitations and defects of committees—Conditions for satisfactory committee operation—Plural executives—The board of directors—Functions of the board: modus operandi of the board—Some observations on the board of directors: size, make-up of the board, age of directors, inside & outside members and information to the board—The chief executive: executive committee and managing director.	139
13. ORGANIZATION PLANNING AND ORGANIZATION CHANGE Need for organization planning—Principles and criteria of sound organization—Common defects of organization—Methods of organization change: tools for organization change—Organization chart: benefits and limitations—Preparation of charts—Written position descriptions—Organization manuals—Social aspect of organization: human factors in organization change and informal organization.	155
14. STAFFING Nature and importance of staffing—Analysis of managerial jobs—Recruitment of managerial personnel—Training of managers: appraisal of ability and progress—Motivation of managers—Control of managers.	169
<i>Part Four ● Direction</i>	
15. HUMAN RELATIONS AND MOTIVATION Nature of direction—Human relations—Needs of employees: frustration in need fulfilment and employee adjustment—Motivation of personnel—Employee morale—Hawthorne Investigations: Illumination Experiments, Relay Assembly Test Room Experiments, Bank Wiring Observation Room Experiment and conclusions of Hawthorne Investigations.	178
16. LEADERSHIP Leadership and use of authority, power and influence—Qualities of leadership—Nature and characteristic of leadership—Types of leadership—Functions of leadership—Importance of leadership in management.	190

	PAGE
	xii
17. COMMUNICATION	198
Nature of communication—Importance of communication—Methods of communication—Building communication network—Personal communication and use of orders and instructions.	207
18. SUPERVISION	214
Nature and importance of supervision—Changing supervisory responsibilities—Factors of effective supervision—Selection and training of supervisors: employee training by supervisors.	214
19. DISCIPLINE	222
Nature of discipline—Importance of discipline—Causes of indiscipline—Means of effective discipline: condonation of past offences, agreements as to disciplinary rules, the discipline committee and investigations by the personnel department—Influence of attitude on discipline—Nature and influence of rules.	222
<i>Part Five ● Control</i>	
20. THE CONTROL SYSTEM	234
Nature and extent of control: types of control—Basic steps in the control process: setting standards, evaluating performance and taking corrective actions—Importance and shortcomings of control—Requirements of an effective control system—Integrating control with other managerial functions: control & planning, control & organizing and control & directing.	234
21. BUDGETING AND BUDGETARY CONTROL	245
Nature and scope of budgeting—Purpose of budgeting—Types of budgets: sales budget, production budget, revenue & expense budget, capital-expenditure budget and cash budget—Essential conditions for applying budgetary control: securing budget flexibility—Advantages of budgetary control—Dangers in budgetary control.	245
22. COSTING AND COST CONTROL	257
Role of cost accounting—The problem of cost finding—Elements of costs—Allocation of fixed overhead expenses—Types of costing—Standards for cost control: historical cost, estimated cost and standard cost—Cost-volume-profit analysis: importance of the analysis.	257
23. CONTROL OF OVERALL PERFORMANCE	257
Devices for controlling overall performance—Break-even system: break-even analysis and formulas, benefits and limitations—Budget summaries—Profit and loss control—Return on investment—Internal audit—Management self-audit.	257

	PAGE
	xiii
CHAPTER	
<i>Part Six ● Area Management</i>	
24. SALES MANAGEMENT	279
Nature of sales management—Sales planning—Sales policies: product items, market areas, distribution channels, pricing methods and sales promotion—Sales organization—Direction of sales personnel—Sales control.	279
25. PRODUCTION MANAGEMENT	285
Meaning of production management—Systems of production: job production, batch production, mass production and process production—Plant layout—Works building—Organizing for production—Planning and control of materials: quantity & quality, purchasing policies, procedures for purchasing materials and control over materials—Planning for machines and their control—Production planning and control: routing, scheduling, dispatching and inspection—Statistical quality control: principles of S.Q.C.—Automation, challenge to management: impact of automation on the society—Nature and use of methods—Techniques of methods standardization—Work simplification—Standardization and simplification of products.	285
26. FINANCE MANAGEMENT	318
Planning of finance—Finance policies: block capital, working capital, depreciation of fixed assets and profit disposition—Organizing for finance—Controlling in finance: ratio analysis.	318
27. PERSONNEL MANAGEMENT	331
Significance of personal management—Personnel policies: selection & placement, training & promotion, remuneration, welfare activities & morale development, and union relations—Organization of the personnel department—Controlling of personnel activities.	331
28. OFFICE MANAGEMENT	344
Role of office management—Planning of office work: office policies, and office procedures & methods—Organization of office for general services and sectional activities—Control of office work.	344
SELECT BIBLIOGRAPHY	353
INDEX	359