

Nature and Significance of Management

One Mark Questions

Question 1. What is management?

Answer: Management is an art of getting things done through and with others in order to achieve the specific organisational objectives goals.

Question 2. State any one personal objectives of management.

Answer: Financial needs such as competitive salaries, incentives, other benefits.

Question 3. State any one organisational or economic objectives of management.

Answer: Survival.

Question 4. Name any one function of management.

Answer: Planning.

Question 5. Is management a science or an art or both?

Answer: Management is both a science and an art.

Question 6. Name any one features of management.

Answer: Management is a goal-oriented process.

Question 7. Name any one dimension of management.

Answer: Management of work.

Question 8. State any one social objectives of management.

Answer: Providing quality product at reasonable price.

Question 9. State any one features of co-ordination

Answer: Coordination ensures unity of action.

Question 10. What is co-ordination?

Answer: The process by which a management integrates and unites the activities of different departments is known as co-ordination.

Question 11. State any one importance of co-ordination.

Answer: Helps in reduction of cost.

Question 12. Who gave the key ward POSDCORB

Answer: Prof. Luther Gullick.

Question 13. Mention any one function of management.

Answer: The functions of management are Planning, Organizing, Staffing,

Question 14. Name any one feature of management.

Answer: Management is a goal oriented process.

Question 15. List out the dimension of management.

Answer: Management has 3 dimensions

- (a) Management of work
- (b) Management of People
- (c) Management of operations.

Question 16. Give one Example for top level management position.

Answer: Board of Directors, CEO, President or Chairmen etc. as the examples of top level management.

Question 17. Give one example for middle level management position.

Answer: Sales Manager, Finance Manager, Marketing Manager etc are the examples of middle level management.

Question 18. Give one example for low level management position.

Answer: Foreman, Supervisors, Inspectors etc.

Question 19. State any one organizational objective of management.

Answer: Survival, Profit and Growth are the organizational objectives of management.

Two Marks Questions

Question 1. What is management?

Answer: Management is defined as the process of planning, organizing, actuating & controlling an organizational operation in order to achieve coordination of resources to attain the organizational objectives more effectively.

Question 2. State any two levels of management.

Answer: The two levels of management are :

- (a) Top level
- (b) Middle level

The level of management determines the chain of command & amount of authority of managerial positions.

Question 3. State any two dimensions of management.

Answer: The two dimensions of management are:

- a. Management of people.
- b. Management of work.

Question 4. State any two social objectives of management.

Answer: The two social objectives of management are;

- a. Generating employment opportunities to weaker sections of society.
- b. Providing quality product at reasonable price.

Question 5. Expand POSDCORB.

Answer: POSDCORB – Planning, Organizing, Staffing, Directing, Co-ordinating, reporting, and budgeting.

Question 6. Define Co-ordination.

Answer: According to Mooney and Reelay Co-ordination is orderly arrangement of group efforts to provide unity of action in the pursuit of common goals.

Question 7. State any two features of co-ordination.

Answer: The two features of co-ordination are;

- a. Coordination ensures unity of action
- b. Coordination is a continuous process.

Question 8. State any two importance of management.

Answer: The two importance of management are;

- a. It helps in achieving group goals.
- b. Helps in reduction of cost.

Question 9. What do you mean by levels of management?

Answer: Levels of management refer to a line of demarcation between various managerial positions in an organization.

Question 10. State any two importance of co-ordination.

Answer: The two importance of co-ordination are;

- a. Growth in size.
- b. Functional differentiation.

Question 11. State any two basic features of management as a profession.

Answer: The two basic features of management as a profession are;

- a. Well-defined Body of Knowledge,
- b. Ethical code of conduct.

Question 12. State any two organizational objectives of the management.

Answer: Organizational objectives of the management are Profit, Growth and Survival.

Question 13. State any two personal objectives of the management.

Answer: Personal objectives of the management are Job security, Fair salary & Training to workers.

Question 14. State any two social objectives of the management.

Answer: Social Objectives – Quality Goods, Protect & conserve natural resources

Question 15. What is Planning.

Answer: Planning means deciding in advance, what to do, when and how to do. A plan is future course of action.

Question 16. What is Organising?

Answer: It is a process of bringing together physical, financial and human resources. Organizing is to provide with everything useful for functioning of business, i.e., Raw materials, tools, capital and labor.

Question 17. What is Staffing?

Answer: Staffing is a function of managing organizational structure. Due to advancement of technology, increase in size of business, and complexities of human behavior staffing had assumed greater importance.

Question 18. What is directing?

Answer: Actuating organizational methods to work efficiently for achieving organizational goals is called directing. Planning, organizing, guiding staffing are the mere preparations for doing work, but directing is the inter personnel aspect of management

Question 19. What is controlling?

Answer: Controlling refers to the measurement of actual performance against the standard set. Purpose of controlling is to ensure that everything occur in accordance with set standards.

Question 20. What is Coordination?

Answer: The process by which the activities of different departments are integrated and orderly arrangement of group efforts directed towards the achievement of goal is called as coordination.

Four Marks Questions

Question 1. Briefly explain the importance of management.

Answer: Importance of management are :

a. Management helps in achieving group goals: Management is required not for itself but for achieving the goals of the organisation. The task of a manager is to give a common direction to the individual effort in achieving the overall goal of the organisation.

b. Management increases efficiency: The aim of a manager is to reduce costs and increase productivity through better planning, organising, directing, staffing and controlling the activities of the organisation.

c. Management creates a dynamic organisation: All organisations have to function in an environment which is constantly changing. It is generally seen that individuals in an organisation resist change as it often means moving from a familiar, secure environment into a newer and more challenging one. Management helps people adapt to these changes so that the organisation is able to maintain its competitive edge.

d. Management helps in achieving personal objectives: A manager motivates and leads his team in such a manner that individual members are able to achieve personal goals while contributing to the overall organisational objective.

e. Management helps in the development of society: An organisation has multiple objectives to serve the purpose of the different groups that constitute it. In the process of fulfilling all these, management helps in the development of the organisation and through that it helps in the development of society. It helps to provide good quality products and services, creates employment opportunities etc.

Question 2. Discuss the basic features of management as a profession.

Answer: The important features of Management as a profession are;

a. Well-defined body of knowledge: All professions are based on a well-defined body of knowledge that can be acquired through instruction.

b. Restricted entry: The entry to a profession is restricted through an examination or through acquiring an educational degree. For example, to become a chartered accountant in India, a candidate has to clear a specified examination conducted by the Institute of Chartered Accountants of India.

c. Professional association: All professions are affiliated to a professional association which regulates entry, grants certificate of practice and formulates and enforces a code of conduct. To be able to practice in India, lawyers have to become members of the Bar Council which regulates and controls their activities.

d. 'Ethical code of conduct: All professions are bound by a code of conduct which guides the behaviour of its members. All doctors, for example, take the oath of ethical practice at the time they enter the profession.

e. Service motive: The basic motive of a profession is to serve their client's interests by rendering dedicated and committed service. The task of a lawyer is to ensure that his client gets justice.

Question 3. Explain different levels of management.

Answer: The different levels of management are ;

a. Top Management: They consist of the senior-most executives of the organisation by whatever name they are called. They are usually referred to as the chairman, the chief executive officer, president and vice-president. Their basic task is to integrate diverse elements and coordinate the activities of different departments according to the overall objectives of the organisation.

The top level managers are responsible for the welfare and survival of the organisation. They analyse the business environment and its implications for the survival of the firm and formulates overall organisational goals and strategies for their achievement.

b. Middle Management: Middle Management is the link between top and lower level managers. They are subordinate to top managers and superior to the first line managers. They are usually known as division heads, operations manager or plant superintendent. Middle management is responsible for implementing and controlling plans and strategies developed by top management. Their main task is to carry out the plans formulated by the top managers. For this they need to:

Interpret the policies framed by top management,

Ensure that their department has the necessary personnel, –

Assign necessary duties and responsibilities to them,

Motivate them to achieve desired objectives, and

Co-operate with other departments for smooth functioning of the organisation.

c. Supervisory or Operational Management: Foremen and supervisors comprise the lower level in the hierarchy of the organisation. Supervisors directly oversee the efforts of the workforce. Their authority and responsibility is limited according to the plans drawn by the top management. Supervisory management plays a very important role in the organisation since they interact with the actual work force and pass on instructions of the middle management to the workers.

Question 4. Explain the importance of co-ordination.

Answer: Importance of co-ordination are ;

a. Growth in size: As organisations grow in size, the number of people employed by the organisation also increases. It is necessary to ensure that all individuals work towards the common goals of the organisation. Therefore, for organisational efficiency, it is important to harmonise individual goals and organisational goals through coordination.

b. **Functional differentiation:** Functions of an organisation are divided into departments, divisions and sections. In an organisation there may be separate departments of finance, production, marketing or human resources. All these departments may have their own objectives, policies and their own style of working. The process of linking the activities of various departments is accomplished by coordination.

c. **Specialisation:** Modern organisations are characterised by a high degree of specialisation. Specialisation arises out of the complexities of modern technology and the diversity of tasks to be performed. Organisations, therefore, need number of specialists. Therefore, some coordination is required by an independent person to reconcile the differences in approach, interest or opinion of the specialists.

Question 5. Explain the characteristics of co-ordination.

Answer:

a. **Coordination is an all pervasive function:** Coordination is required at all levels of management due to the interdependent nature of activities of various departments. It integrates the efforts of different departments and different levels.

b. **Coordination ensures unity of action:** The purpose of co-ordination is to bind and secure unity in different departments to achieve the goals of the organisation.

c. **Coordination is a continuous process:** Coordination is not a one-time function but a continuous on-going process. It begins at the planning stage and continues till controlling in order to maintain efficiency within the organisation.

d. **Coordination integrates group efforts:** Co-ordination unifies unrelated or diverse interests into purposeful work activity. It gives a common focus to group effort to ensure that performance is as it was planned and scheduled.

e. **Coordination is the responsibility of all managers:** Coordination is the function of every manager in the organisation.

Top level management need to coordinate with their subordinates to ensure that the overall policies for the organisation are duly carried out.

Middle level management coordinates with both the top level and lower level management.

Lower level management coordinates the activities of its workers to ensure that work proceeds according to plans.

f. **Coordination is a deliberate function:** A manager has to coordinate the efforts of different people in a conscious and deliberate manner to achieve the common goals.

Question 6. Is management both science and art. Justify the statement.

Answer: Management is both Science and an Art for following reasons:

- a. The practice of management is an art and the practice of manager is based on the principles it is a science.
- b. Science teaches to know and art teaches to do.
- c. Art without science has no direction and science without art leads to wastage of knowledge.
- d. Art is descriptive and science is prescriptive.
- e. Both, management as an art and science makes manager to use their personalised knowledge in different situation skilfully.

Conclusion: From the above discussion we can say that management is both science and an art.

Question 7. Briefly explain any five features of management.

Answer:

Features of management are ;

1. Management is a goal oriented process: Every organization has some goals. Management is a goal oriented activity. Management unites all the activities of the organization and directs it towards the achievement of established goals more efficiently.
2. Management is Multi Dimensional: Management is a complex activity and involves 3 dimensions
 - (a) Management of work
 - (b) Management of People
 - (c) Management of operations
3. Management is a continuous process: Management has a series of function which is performed regularly. Management is an ongoing function and doesn't stop anywhere.
4. Management is a group activity: Every organization consists of number of persons from different level with different need. Management helps these people to take initiative, communicate and coordinate with join hands for attaining organizational goal.
5. Management is an intangible force: Management cannot be seen but its presence can be felt in the operation of the organization. Effects of management are noticeable in terms of attainment of targets and employee satisfaction etc.

Question 8. Explain briefly the roles of management.

Answer: Management is a universal activity and integral part of an organization. The importances of management are:

1. Achievement of organizational goal: Management helps to achieve group goal. It directs group efforts towards achievement & integrates men, money & material of organization to attain its objective.
2. Reduce cost of production: management aims at increasing efficiency to maximize profit with minimum costs. Management avoids wastages by directing day to day operations.
3. Survival & growth of organization: management helps an organization to face the tough competition and survive in the changing environment. By better planning, organizing, staffing, directing and controlling management helps the organization to adopt itself to the changing need of the society.
4. Achieving personal objective: Management creates a good environment to the workers. It helps individual employees to achieve their personal objective through motivation, commitment & team spirit.
5. Prosperity of the society: An effective management accepts its commitments towards workers, investors, customer & society. It provides better quality of goods & services, generates employment avenues, Adopts new technology for the welfare and growth of the society.

Question 9. “Management is a Science” – Explain?

Answer:

Art is the skillful and personal application of existing knowledge to achieve desired goal

Management considered an art due to the following reasons

- a. Existence of Theoretical Knowledge: All art subjects are based on theoretical knowledge e.g, written material is available on dancing, public speaking, music etc. In the same way, there is lot of literature available on management and its branches – finance, marketing, human resource etc.
- b. Personalised Application: The use of this basic knowledge differs from one individual to the other. Two painters, two dancers or two singers all use their knowledge in their own way. In the same way two managers who have acquired the same knowledge may use it in their different ways to get the same work done
- c. Based on Practice and Creativity: All art is practical. Art involves creative practice. The more we practice it, the better we become at it. It also requires creativity.

In the same way, a manager applies his acquired knowledge in a unique manner. More practice makes him a better manager and he also develops his own style of management

Management is an Inexact Science

a. Systematised Body of Knowledge: Science is a systematised body of knowledge. Its principles are based on cause and effect relationship. e.g. water evaporates on being heated In the same way, management has a systematised body of knowledge. All managerial principles have cause and effect relationship

b. Principles Based on Experimentation: Scientific principles are first developed through observation and then tested through repeated experimentation. Likewise, management principles are also propounded after observation and repeated experimentation.

c. Universal Validity: All scientific principles have universal validity. They give the same result wherever applied.

Principles of management do not have Universal validity. They have to be adjusted and applied according to the need of the situation.

Thus, management is an in-exact science.

Conclusion : Management does not satisfies all the features of science. Hence it is not an exact science.

Question 10. Explain two Objective of Management.

Answer: Every organization is established to achieve certain objective. Objectives always differ from organization to organization. Management helps to achieve these organizational objectives more effectively and more efficiently.

Objectives can be classified in to

Organizational objective

Social Objective

Personal or individual objective

Organizational objective: The main objective of the management is to fulfill the economic objective of the organization. This objective is concerned with maximum possible profit with the available resources. Survival, Profit & Growth is important keys of organizational objective of management.

Survival: The basic objective of every business is to survive for a long time in the market. Management ensures the survival of the organization by earning enough revenue to cover its costs.

Profit: Only survival is not enough for the business. Management ensures earning enough profit which is very essential for successful continuity of the Business.

Growth: For business to have a long term existence management need to strive for the overall growth and development of the organization.

Social objective: Every organization is a part of the society whether it is business or non business unit. All organizations being a part of the society have some obligation towards the well being of the people, nature and society.

Using environmental friendly methods of production.

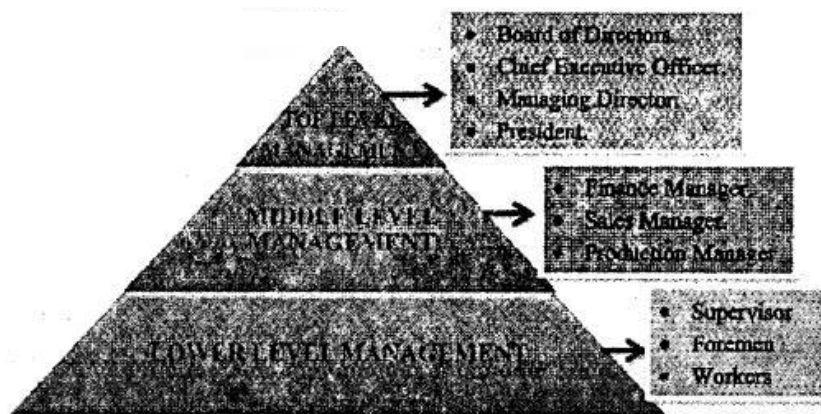
Create employment opportunities for weaker section of the society.

Provide amenities for the wellbeing of the society such as schools, Hospitals, Parks.

Provide financial support for the social service projects.

Five Marks Questions

Draw a Neat Diagram of Levels of Management



Eight Marks Questions

Question 1. Explain the features of management.

Answer: Management is the art of getting things done through others-and with the help of others in order to achieve the specific organizational goal. Management is defined as the process of planning, organizing, actuating & controlling an organizational operation in order to achieve coordination of resources to attain the organizational objectives more effectively.

Features of management are:

Goal oriented

Continuous process

Group activity

Intangible force

Universal process

Multi disciplinary

Integrating Process

1. Management is a goal oriented process: Every organization has some goals. Management is a goal oriented activity'. Management unites all the activities of the organization and directs it towards the achievement of established goals more efficiently.

2. Management is Multi Dimensional: Management is a complex activity and involves 3 dimensions

(a) Management of work

(b) Management of People

(c) Management of operations

3. Management is a continuous process: Management has a series of function which is performed regularly. Management is an ongoing function and doesn't stop anywhere.

4. Management is a group activity: Every organization consists of number of persons from different level with different need. Management helps these people to take initiative, communicate and coordinate with join hands for attaining organizational goal,

5. Management is an intangible force: Management cannot be seen but its presence can be felt in the operation of the organization. Effects of management are noticeable in terms of attainment of targets and employee satisfaction etc.

6. Management is a universal process: Management activities are not applicable to the business unit alone. It is universally applicable to all organizations; it may be economic, social, charitable, religious opolitical.

Question 2. Explain the objectives of management.

Answer: Organisational or Economic objectives: Every organisation is established to achieve certain objectives. Different organisations are having different objectives and management has to achieve those objectives effectively and efficiently.

a. Survival: The basic objectives of any business are survival. Management must make great efforts to ensure the survival of the organisation. In order to survive for a long time, an organisation must earn enough revenues.

b. Profit: Earning profit is the main object of every business. It is very essential to meet the expenses and for successful continuity of the business. Therefore management should ensure sufficient profit to cover risk of business.

c. Growth: Growth is another organisational objective. The management must ensure growth of business. It can be measured in terms of sales volume increase, the number of products or the increase in capital investment, etc.

Social objectives: Every organisation is a part of society, whether it is business or non- business, has certain social obligation towards society.

Social objective includes:

Using environmental friendly methods of production.

Generating employment opportunities to weaker sections of society.

Providing quality product at reasonable price.

Providing financial support to society for noble causes.

Providing basic amenities like schools to children of employees.

Personal or individual objectives: Personal or individual objectives means objectives of the employees of an organisation.

Personal objective includes:

Financial needs such as competitive salaries, incentives, other benefits.

Social needs such as recognition, job security etc in the organisation

Higher level needs such as personal growth and development.