

BUSINESS MANAGEMENT PROCESS

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PREFACE

It is a matter of immense pleasure for us to place in the hands of the teaching faculties and students a text book of "**Business Management Process.**" . It is prepared in accordance with the syllabus in this book.

We do not claim any originality of this book since many standard text books were referred while writing this book. The main purpose of preparing this book is to make the subject BUSINESS MANAGEMENT PROCESS student friendly. Hope this book will motivate the students for further study in the subject.

We express our profound gratitude to our teachers, well-wishers and teacher friends for their encouragement in the preparation of this book, we are also thankful to Edwise Publishers, Mangalore, for bringing out this book.

We are thankful to our Principal, Prof. Shrivarma Ajri M and Our institute colleagues for their support and encouragement.

We shall be pleased to welcome suitable suggestions from our learned colleagues and students to enhance the utility of the book.

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SYLLABUS

BUSINESS MANAGEMENT PROCESS

Objective: To introduce the concepts of management, its principles and familiarize the functions of management.

Module: I Introduction

04 hrs

Meaning and importance of Management; Role and responsibilities of top, middle and lower management. Functions of management. Challenges of Management in the context of new era.

Module: II Planning

10 hrs

Concept – Significance – types of planning. Organizing: Concept – significance – process – Formal and informal organizations. Organizational design. Departmentation: advantages and disadvantages. Span of Control. Delegation of authority. Delegation Vs. decentralization. Line and Staff Positions – Committees.

Module: III Staffing

10 hrs

Meaning and importance of staffing. Recruitment – Selection – interviewing – induction. Leadership: Meaning – importance of leadership. Leadership Styles. Motivation: Meaning – importance of motivation. Communication: Meaning – importance – problems of communication. Barriers of Communication – Measures towards effective communication. Controlling – Importance – process – problems of controlling. Requirements of effective control. Preventive and overall controls.

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Module-I

INTRODUCTION

In the modern times one of the most important human activities is managing group of people. Ever since people began forming groups to accomplish aims they could not achieve as individuals, managing has been essential to ensure the coordination of individual efforts. As society has come to rely increasingly on group effort and as many organized groups have become large the task of managers has been rising in importance. Management is the process of designing and maintaining an environment in which individuals working together in groups efficiently accomplish selected aims.

Thus it may be concluded that management plays a key role in improving standard of living of the people in the society through developing an ideal organizational structure and making economic use of available resources. The knowledge of management theory and practice enables managers to take more realistic view about organizational and social problems and to find out their effective solution.

Concept of Management:

Management is essential at all levels of an organisation. But the word management has been given different interpretations. It is used as a noun, a process, and a separate discipline.

Management as a Noun: In general, and popular usage, management refers to a distinct group of people who direct the activities of other people and material resources toward the attainment of predetermined goals. Giving a broader meaning to it, one can look at management as a resource, a system of authority, and a class or elite.

1. Management as an economic resource: The economist's view of management is that it is a factor of production just like

entrepreneurship, capital and labour. The managerial resource, to a large extent, determines organisational effectiveness and efficiency. Hence in a dynamic environment managerial development is more important and its use must be more intensive.

2. Management as a system of authority: Management is a system of authority in the sense that it consists of a team of managers who are responsible for making decisions and supervising the work of others. Managers at different levels possess varying degrees of authority.

3. Management as a class or elite: Sociologists view management as a class and status system. Increasing complexity of management in the modern complex organisation has led to managers being regarded as a distinct class in society, who possess knowledge and skill of a high order.

Management as a Process: Interpreted as a process, management consists of a series of inter-related managerial activities classified into various functions like planning, organising, staffing, leading and controlling.

Management as a Discipline: Management is a separate discipline having a systematised body of knowledge which managers use in performing 'their jobs. As a separate field of study, management includes the principles and practice of general management as well as of the various functions of management. It has developed its own techniques and 'approaches. The theoretical foundations of management have evolved on the basis of experience, observation and scientific investigations.

Definitions:

Different scholars and schools of management have defined differently. There is no single definition accepted universally.

According to **Henry Fayol**:- "To manage is to forecast and to plan, to organize, to co-ordinate and to control."

According to **Harold Koontz** "Management is the art of getting things done through others and with formally organised groups."

According to **George R. Terry** "Management is a distinct process consisting of planning, organising, actuating and controlling; utilising in each both science and art, and followed in order to accomplish pre-determined objectives."

According to **William Spriegel** management is "that function of an enterprise which concerns itself with the direction and control of various activities to attain the business objectives".

Henry L. Sisk has defined "Management is the coordination of all resources through the process of planning, organising, directing and controlling in order to attain stated goals".

Thus, Management is the process involving planning, organising, staffing, directing and controlling human efforts to utilize the available resources in an optimal manner to achieve the objectives of an organization.

Nature and Characteristics:

Important characteristics of management are discussed below:

1. Management is Universal: Management is required in every form of group activity whether it is a club, a family, a government, an army or a business enterprise. The basic management principles are applicable in all areas of organized effort.

2. Management is a group activity: - Management is an essential part of group activity. As no individual can satisfy all his desires himself, therefore he has to be the part of an organized group to achieve what he cannot achieve individually.

3. Management is intangible: - It is an unseen force, its presence can be evidence by the result of its efforts up to date order but they generally remain unnoticed, whereas mismanagement is quickly noticed.

4. Management is goal-oriented: - Management aims to achieve economic and social objective. Group efforts in management are always directed toward the achievement of some pre-determined goals.

5. Management is situational: - Management does not advice best way of doing things. Effective management is always situational. A manager has to apply principles, approaches and techniques of management after taking into consideration the existing situations.

6. Management is concern with people: - Since management involves getting things done through others only human being performed this activity with the help of planning and control. The element man cannot be separated from the management.

7. Management is needed at all levels of the organization: - Another important feature of management is that it is needed at all levels of the organization, e.g. top level, middle level and supervisory level. The only difference is of the nature of task and the scope of authority.

8. Management is a social process: - Management is getting things done through others. This involves dealing with people. The efforts of the human beings have to be directed, co-ordinate and regulated by management in order to achieve the desired results.

9. Management is a continuous process:- The cycle of management repeats on a continuous basis as long as there is an organized action for the achievement of group goals.

10. Management is multidisciplinary:- Management has to deal with human behavior under dynamic conditions. Therefore, it depends upon wide knowledge derived from sociology, Economics. Engineering, Mathematics, Statistics, anthropology, etc.,

11. Management is an art as well as a science: - Management contains a systematic body of theoretical knowledge as well as the practical application of such knowledge.

Importance of Management:

The efficient management of human and material resources is essential for achievement of objectives of any organization. The success of any business lies in the quality of management. The

significance of management will be more clear through the following points: -

1. Determination of objectives:– Management helps in determining the objective of the organization. No organization can succeed in its operations unless its objectives are identified and well defined. These objectives have to be communicated to all the people working in the organization.

2. Achievement of the objectives:– Management plays a significant role in accomplishment of organizational objectives and goals. The coordination and integration of material and human resources helps in achieving the pre-determined goals effectively and efficiently.

3. Management is associated with group efforts:– Management gets things done by, with and through the efforts of group members. It co-ordinates the activities and actions of its members towards a common goal. Proper Team building will enhance the team spirit among the members and make way easier to achieve the goals.

4. Efficient use of resources:– Efficient Management reduces wastage of human, material and financial resources through proper planning and control. Thus, a business can perform a better and possible to move towards growth and prosperity.

5. Encourages innovation:– Innovation brings new ideas, new methods, new products and makes the organization more competitive. Through proper management strategy it's possible to encourage innovation in the organization.

6. Economic development:– Management helps in development of the society by producing good quality products, creating employment opportunities and adopting new technology.

7. Creates dynamic organization:– Management boost confidence of an organization to face the future challenges comfortably and helps the employees to overcome their resistance to change and adopt as per changing situation to ensure its survival and growth.

ABOUT THE AUTHORS



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Sri Naveena pursued his Master's Degree in Commerce from Mangalore University in Finance. He started his career in Madhava Pai Memorial College, Manipal and later joined GFGC Sullia and presently working as Assistant Professor in Commerce at MPM Government College of Professional and Business Management, Karkala. He has published many research papers in journals, presented papers in seminars and conferences.
