



CLASS:- 12TH CBSE
Business Studies

1. Nature & Significance of Management

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INTRODUCTION

Management is defined as a process of getting things done with the aim of achieving goals effectively and efficiently. Or “Management is the process of working with and through others to effectively achieve organizational objectives by using limited resources in the changing environment” – KREITNER

1. MANAGEMENT CONCEPT (So there are there terms which need to be elaborated)		
1. Process	2. Effectiveness	3. Efficiency
It means the primary function that the management performs to get things done. These functions are planning, organizing, staffing, directing and controlling. We will be studying these functions in the later chapters.	It means completing the given task. It is concerned with doing the right task, completing activities and achieving goals. <i>It is concerned with the end result.</i>	It means doing the task correctly with minimum cost. Efficiency is concerned with using lesser inputs for maximum output. The input resources are money, materials, equipment and human resources.
FOR EXAMPLE- Ria is responsible for producing 100 units in a day, she produces 100 units but due to mishandling of machine, it broke down. Though Ria produced 100 units at a higher cost, in this case, Ria was effective but not efficient.		

2. CHARACTERISTICS / FEATURES OF MANAGEMENT

1. **Management is Goal - Oriented process:** An organization has certain goals which are the basic reason for its existence. The different organization may have different goals. For instance, the goal of XIAOMI is to be the market leader in an affordable smartphone.

2. **Management is Multi-Dimensional** - As it involves complex activities and has the following three dimensions:

1. **Management at work:** All organization exist for the performance of some work. In a showroom customers' needs are satisfied, in college students are taught and so on. It's the duty of management to translate this work into small achievable goals and provide resources to achieve them.
2. **Management of people:** Human resources is the most precious asset in an organization. The task of the Management is to make people work towards achieving organizational goals. Management must deal with employees as an individual with different needs & behavior. On the other hand, it should also deal with individuals as a group of people.
3. **Management of operations:** In order to survive the organization must have some product or

service to provide to its customers. Therefore the management should manage the process of transforming inputs into desired outputs.

4. **Management is a group activity** – An organization is a group of individuals with different needs. Every member of the group has a different purpose for joining the organization. But as a team, they work in one direction i.e. fulfilling the organization goal. Management as a team can contribute more effectively and efficiently than an individual.
5. **Management is an intangible force** - Management is an intangible force that cannot be seen but its presence can be felt. When targets are achieved, employees are happy and customers are satisfied one can feel the presence of management.
6. **Management is a continuous process** – Management is a continuous process as it involves series of continuous, composite but separate functions – planning, organising, directing, staffing and controlling. These functions are performed by managers at all times.
7. **Management is pervasive** – Management is essential in all organisation and in all departments, whether big or small. There are certain common activities that are performed in all type of organisations. A school, hospital, shopping mall – all require management.
8. **Management is a dynamic function** – There are various factors such as social, economical, legal, political and technological that effects an organisation. In order to be successful management should adapt and change its goals accordingly

3.OBJECTIVES OF MANAGEMENT

In an organisation, there are different objectives and management has to achieve all objectives in an effective and efficient manner. The objectives of management can be classified as follows:

1. **Organizational/ Economic objectives:-** Management has to achieve various objectives while considering the interest of all stakeholders including shareholders, employees, customers and the government. The main objective of any organization must be to utilize human and material resources to the maximum possible advantage.
2. **Growth:** Every organization wants to grow in the long run. Management must use the profits to expand and grow the business. Growth of the business can be measured in terms of increased sales, number of employees, number of products, market share, etc.

(a) Social objectives:- The social objective involves the creation of benefit for society. Since business operates in society by utilizing its scarce resources, society expects something in return.

(b) Personal objective: Personal objectives refer to the objectives which are related to the employees of an organization. Different people with different experiences and objectives become part of the organization to satisfy their different needs..

Important of Management

1. Management help in Achieving Goal
2. Management Increase the efficiency
3. Management Create Dynamic Organisation
4. Management help in achieve Personal Objective

4. LEVELS IN THE ORGANIZATION

TOP MANAGEMENT	MIDDLE MANAGEMENT	OPERATIONAL MANAGEMENT
It consists of the senior- most executive of the organisation they are called by different names usually referred as chairman, the CEO (chief executive officer), chief operating officer, president and vice president.	Middle level management acts as a link between top and lower level of management. They are subordinate of top level management and superior of lower level of management. They are also known as division heads. Example: HR manager, production manager, marketing manager, finance manager,	They perform the activities or carry on the task according to the plans of top and middle level management. It refers to the lower level in the hierarchy of the organisation, Forman and supervisors comprise the operation management.
Functions performed: <ol style="list-style-type: none"> 1. Integrate diverse elements 2. Formulate overall organisational goals and strategies 3. Analyse business environment and its implications. 4. They are responsible for all the activities of the business and for its impact on society. 	Functions performed: <ol style="list-style-type: none"> 1. Responsible for implementing and controlling plans developed by top management. 2. They are responsible for all the activities of first line managers. 3. Their main task is to carry out the plans formulated by the top managers. 	Functions performed: <ol style="list-style-type: none"> 1. Superiors directly oversee the efforts of the workforce but their authority and responsibility is limited. 2. Through their efforts quality of output is maintained, wastage of materials is minimised and safety standards are maintained. 3. They represent the workers grievance before the management and maintain discipline among the workers.

5. COORDINATION

The process by which management synchronised the activities of different departments is known as coordination. Coordination is sometimes considered a separate function of management, however it is the essence of management,

Coordination is implicit and inherit in all function of an organisation.

- According to the plans organisational structure is developed.
- As per the need of the organisational plan, staffing function is performed.
- Directing is required for execution of these plans, staffing function is performed.
- Directing is required for execution of these plan

Characteristics of coordination:

1. Coordination integrates group efforts: It's the main task of coordination it unifies diverse interests into purposeful activity. It gives a common focus to group effort to ensure that performance is as it was planned and scheduled.
2. Coordination ensures unity of efforts:
 - The purpose of coordination is to secure unity of action in the realisation of a common purpose.

Q.1) Match the Functions of Management

(A)	(B)
i. Organising	a. Determine in advance what is to be done
ii. Directing	b. Aim to ensure that right people with right qualification are available at the right place
iii. Planning	c. Monitoring organisational performance for achieving organisational goal
iv. Controlling	d. Involve leading , influencing and motivating employees.
v. Staffing	e. Grouping of the required task into manageable department .

Q.2) Nike International (leading shoes manufacturer) requires less labour hour and inputs to manufacture a pair of shoes as compared to its competitors. However the company always fails to achieve its target production . whether the Nike International effective and efficient in its working ? Can the company is successful in long run ?

Q.3) In X ltd. The purchase department purchase 10 tonnes of raw material for production department . However the production department needed just 7 tonnes . Due to this reasons , goods were over produced and were not accepted by sales department .
As a result , some goods remained unsold .
which aspect of management is lacking ?

Q.4) Mr. Tanvir is responsible for assigning work to employee and representing there grievances to Mr. Deepak (Tanvirs Boss) . Identify the management level at which Tanvir and Deepak are working

Q.5) Aditya is responsible for framing plans and policies of M/s Evershine Industries , at which managerial level , he is working , also discuss the main features .

Q.6) McDonalds offer Aloo Tikki Burger to attract Indian customers , despite being a multinational food joint. Identify and discuss the characteristics of management highlight in given cases.

Q.7) XYZ Group of companies decided to donate 2% of its sales to child right and you for improving the condition of children in india. This initiatives by the companies was highly appreciated by the public and their sales increasing by 10% . Identify the objective depicted in the given case.