

## PERSPECTIVES OF MANAGEMENT

1. Explain the various meanings of the term "Management".  
Or
2. Define Management? Why it is called a Social Process.

Management is defined by different people in different ways. Economists regard it as a factor of production. Sociologists see it as a class or group of persons'. While practitioners of management treated it as a process. For our understanding management may be viewed as. "What a manager does in a formal organization to achieve the objectives of that Organisation".

According to Mary Parker Follet, Management means "The art of getting things done through people". This definition throws light on the fact that managers achieve organizational goals themselves.

In fact, Management includes a wide variety of activities that no single definition can capture all the facts of management, given its dynamic nature. However, the definition given by James A.F. Stoner covers all the important facets of management. According to him. Management is the process of Planning, Organising, Leading and controlling the efforts of organization members and of using all other organizational resources to achieve stated organizational goals.

The definition suggests that:

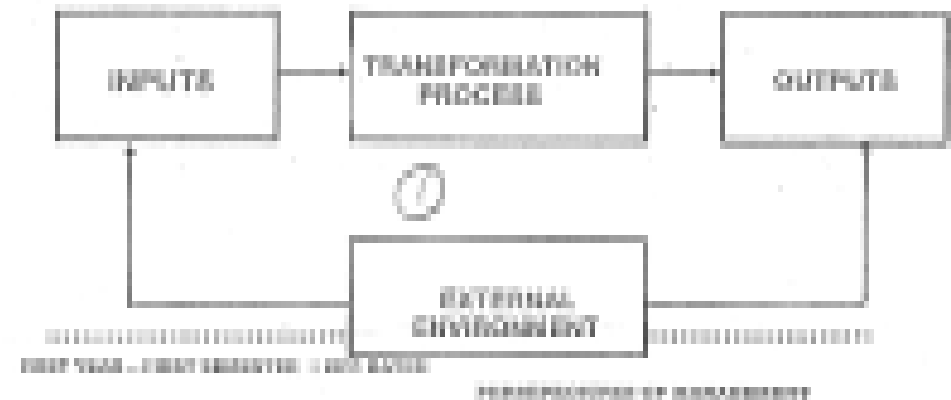
Management is a continuous process.

Managers use the resources of the organization, both physical as well as human, to achieve the goals.

Several inter related activities have to be performed by managers irrespective of their levels to achieve the desired goals.

Management aims at achieving the organisation's goals by ensuring effective use of resources.

In general it is to achieve the objectives by using the inputs like Material, Money and the services of men. These inputs are drawn from the environment in which it exists and produce the outputs to Environment. This process which involves the conversion of inputs into outputs is common to all organizations and is shown below.



- B) As a process
  - C) As a Co-ordination of resources
  - D) As a Body of personnel
- a) Body of knowledge: Management is a distinct discipline, which deals with techniques, principles and skills required to manage business enterprises.
  - b) Process: Management is a activity involving such functions as Planning, Organising, Directing, controlling etc.
  - c) Co-ordination of sources: Management is an activity concerned with the Co-ordination of physical, human and financial resources.
  - d) As a Body of personnel: Management is the body of individuals who manage the affairs of an enterprise.
  - e) With all the above, it will be definitely says that management is such an important activity that without it, human and material resources will remain as resources and can never get converted into production. So, it is called as "Social process".
2. Management is the Art of getting the work done through and with people comment. (or) Management is concerned with ideas, things and people – Comment.

The term "Management has been defined by different authors in different ways according to the functions of it. Kontz and O'

Donnell define management as “the art of getting things done through and with people”. There are mainly three aspects to this art of process of getting work done. These are

- 1) Management of ideas
- 2) Management to things (or) work and
- 3) Management of people.

So, that the management is concerned with ideas, things and people.

1) Management of ideas: One of the basic functions of management is to conceive, gather motive new ideas and get them converted into realities. Ideas have to be convolved and implemented at all stages of management i.e. planning, organizing and controlling. Management is an innovative and creative process. Decision making, one of the prime functions of management, involves conversion of ideas into action. So, ideas are vital for the survival and growth of an organization.

2) Management of things: Things refers to the activities to be undertaken, the facilities and equipment to be provided to convert ideas into realities. In management, it has to provide all resources – physical, human and financial to get things done. The success of management depends upon the efficiency, timing and quality of conversion process.

3) Management of people: The manager does not do the work himself. He gets it done through others. Generally, the workers (or) subordinates who convert into a reality. To get things done, management as to motivate, lead, inspire and guide the efforts. Skills and capacities of workers.

Thus, Management a concerned with ideas, things and people. IN fact, Management is nothing but a process of integrating ideas. Things and people. The statement that management is the art of getting work done through and with people lays greater emphasis on physical resources. In the early stages the development of management theory, the emphasis was only ideas and things. There fore, the human factor was ignored. People were treated as commodity (or) part of ‘things’. The importance of ‘people’ was recognized only in the early 1930’s and since then adequate attention was paid to the human aspect of management. It was realized, that effective management of

people is a prerequisite for management of ideas and things. Thus, the modern theory of management lays particular emphasis on management of people.

Management Plans, organizes, Directs and controls the work, but the actual work is done by men. There are many activities which only men can perform. The management Guru ‘Peter Drucker’ observes that proper or improper use of different factors of production depends upon the wishes and capabilities of the human resources. Hence, besides other resources, human resources need more development.

As per the definition of management. The art of getting things done through and with people”., indicates a one sided approach to the problem of work. Management is not simply getting things done through others. It is not a manipulative practice. It is a democratic process in which workers should willingly participate. Management cannot common the workers to get the work done by satisfying the needs of the workers providing them with opportunities for growth and advancement. Management should maintains co-operation with the workers.

Management of people is the modern philosophy of management. Hence, it has been correctly said that “management is the art of getting the work with people and it concerned with things and ideas”.

3. Discuss the important functions of management.

4. The process approach in Management is wider. It is because the approach lays emphasis on what a Manager does. Generally, a manager of an organization performs a series of functions. The number of functions as well as the terminology used to described them are not like. So, it is not possible to classify the management functions. However, some management thinkers include Henry Fayol, Newman, Koontz and O'Donnel classify the functions into Planning. Organising, Staffing, Directing and Controlling.

5. Planning: Planning in simple, is looking ahead. It is preparing for the future. Planning makes the things to happen. It decides the objectives and formulating policies and procedures to achieve them. Effective planning provide answers to questions like – what to do? How to do? Who is to do and when to do? Systematic Planning helps in facing the uncertainties or future

with less difficulty. It helps in making things happen in the expected way. Therefore it is needless to say that the absence of Planning, things are left to chance. For that, planning precedes all the other managerial functions.

6. **Organising:** Organisation achieves objectives by using physical and human resources. The management function of organizing makes the performance of the tasks easy. It involves designing the structure and facilities to achieve the goals. A large organization with huge markets needs a different structure compared to a small organization. Similarly, the structure of an organization may be different in environment also. Generally, organizing involves:

7. Determination of activities required to achieve goals.
8. Grouping of these activities into departments.
9. Assignment of such groups of activities to a manager.
10. Provision for co-operation in the organization.

11. **Staffing:** It involves managing the various positions of the organization. It includes manpower planning, recruitment and selection of the right people, training and developing them, deciding financial compensation, appraising their performance periodically. There is a debate whether staffing function is to be performed by all managers in the organization (or) handled by personnel department alone. However, in general, some processes of staffing are performed by Personnel Department only. For example, recruitment and selection, training, fixation of salaries etc. are taken by personnel department and performance appraisal on the other hand may be done by all managers.

12. **Directing:** Once plans are made and organization is created, the focus shifts to the achievement of objectives. This function is called by various names: Directing, leading, motivating and so on. It basically involves directing (or) leading the activities of the people. The manager directs the activities of his subordinates and by helping them perform it to the best of their ability.

13. **Controlling:** Planning and controlling are two closely interrelated functions. In that, plans specify the objectives to be achieved, control as a management function facilitates to know whether the actual performance with the plans.

a. It is wrong to think that the functions discussed above are separate and independent and they are discharged in a sequence one after the other. All the functions are intertwined and are performed simultaneously. No one function can be performed independently without involving other functions. Thus, management is a composite process.

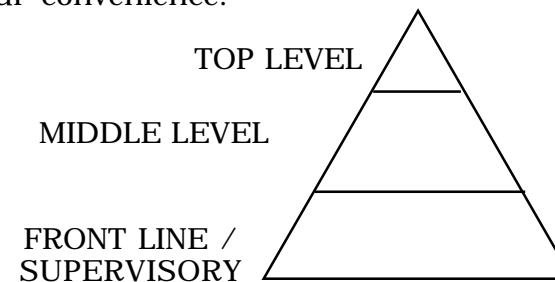
b. 4. Present a detailed account of the levels of management that commonly found in any large scale organization. What are the important skills at each level?

i. In an

In an organization, all those who are responsible for the work of others are usually known as Managers. So that, the manager job requires many skills and talents. Such an arrangement implies different levels of management. Generally in any organization, the levels of management are categorized into the aspects.

- 1) Lower (or) Front line level
- 2) Middle level
- 3) Top level

These levels of management are normally shown in a pyramid shape for our convenience.



**Front-line managers:** These managers are also referred to as supervisory managers and lower-level managers. This is the lowest level in the hierarchy of management. Usually the jobs at this level are the entry level positions into management profession. Managers at this level direct the operating workers. They are very close to action, for their job involves supervising the workers (or) operatives. Front-line managers are called foreman, supervisor, superintendent, inspector and so on. For example

in any manufacturing company they are Forman, in Marketing, Finance and other departments, they are called Management Trainees (or) Junior Executives. Similarly in Government Offices, the Superintendent (or) Section Officer are normally used.

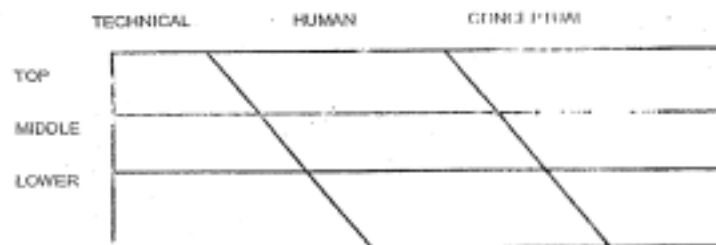
**Middle Level Managers:** Managers who work at levels between the lower and top levels constitute the middle management. Departmental Heads, Regional Managers, Zonal Managers and so on comes in this category. They report to Top managers. Their principle responsibility is to direct the activities of lower level managers who implement the organization's policies.

**Top Level Managers:** The managers who constitute the highest level in the management hierarchy. This is the policy making level in any organization. This level consists of a small group of executives. Board of Directors, chairman, Managing Director and the Top Functional Heads come in this level. Top managers are responsible for the overall management of the organization. They decide the organization's objectives, policies and strategies. They provide direction to the organization by guiding the organization's interactions with the environment.

As per above discussion, manager job is a highly responsible and handle complex situations. Therefore, each level requires increased knowledge, broader perspective and greater skills. These skills are for the purpose of analysis and then taken any decision. So, for the convince of skills, they are categorized into three types.

- 1) Technical
- 2) Human
- 3) Conceptual

a. The skills help in understanding the levels of management and extent to which each kind of skill is required at each level. This is shown in a diagram as follows:



**Technical skills:** These skills refer to the ability to use the tools, equipment, procedures, techniques and knowledge of a specialized field. It is primarily concerned with the ways of doing the things. It implies proficiency in a specified field/ activity. The technical skills are most important for lower level managers, because by nature their job involves supervision of the workers.

**Human skills:** These skills are primarily concerned with persons, as compared with "things". When a man is highly skilled in employee relations, he is aware of his own attitudes, assumptions and beliefs and recognizes their limitations as well as their usefulness. His skill in working with others is natural and co-functions.

**Conceptual skills:** These skills are also called Design and Problem-solving skills. It visualizes the relation of the organization to industry, to the community and to the political, economic and social forces of the nations as a whole and even to forces which operate beyond the national boundaries. It is the creative force within the organization.

## 5. Distinguish between Administration and Management.

The terms "Management" and "Administrator" have been defined by different management experts in different ways to mean different functions. These two terms are considered as synonyms by some, and as connoting separate functions by others. Administration is concerned with the formulation of the policy while Management is concerned with the execution of the policy.

The terminological conflict between Administration and Management is well known in Management literature. Some writers carefully distinguish between Management and Administration, while others ignore such difference between those two. Modern writers take the liberty of using the terms interchangeably. The following are giving a clear idea about Management and Administration.

A) Administration and Management are Separate Functions: Administration is one step ahead of management. It is a determinative, Policy-making function. Management, on the other hand, is an executive function which is primarily concerned with carrying out the broad policies laid down by the administration. According to American School of Management "Administration is a top level function and Management, a lower level function".

But, it is quite different, according to the English School represented by British concept confers a special status to management relating administration to a secondary position, where as in American usage Administration includes Management and organization.

B) Administration and Management are synonymous: In practical, a manager (or) an administrator has to perform both "Thinking" and "Doing" functions. He has to wear both hats gracefully in order to be effective and successful. All us observe the same general principles of the both.

C) Administration is part of Management: According to Breach "Management is an all inclusive function and that administration is a part of it". Administration is a function" Connected with the installation and carrying out plans". While top management is concerned with formulation of policy, functional Management is concerned with coordination, motivation, planning and controlling. Management can be termed as Administration while Functional Management may be called Management.

a. For all that reasons it is difficult to divide the managerial functions, which are belonging to Administration and Management. The distinction is only a subject matter of academic discussion and has no relevance in actual practice.

6. What is profession? Examine the recent trends towards professionalisation of management in India.

The question "In Management a Profession" is tossed about quite frequently in management, literature. Already the words "Professionalism" Professional Management, Professionalisation" have become phrases in the Corporate World. These are the days where, we are hearing a lot about professional managers and their contribution to the economic development of Nation. Therefore, it is appropriate to know the other dimension of management - "Whether is a profession". Mc. Farland gives the following characteristics of a Profession"

1. A systematic body of knowledge.

Formalised methods of acquiring knowledge and skills.

A prescribed way of entering the profession through minimum training and competenance.

A strict code of Ethics (or) standards of conduct.

Charging of Fees based on service and

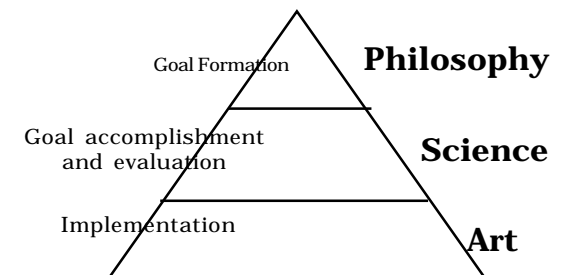
A concern for social responsibilities.

A closer examination of management as a profession reveals that unlike medicine, or law, management has to go a long way to have a universally acceptable norms of behaviour of manager. But it is only a profession, Managers are also differ widely in respect of their concern for the ethics and values of the society in which they function. While making of their decisions, they should conscious of the impact of their decisions on the society. The larger interests of the society must be given top priority rather than short-term temptations.

7. How do you describe the nature of management?

(or)

Where do you exactly place it - science (or) art? The practice of management is as old as human civilization. In fact much of the progress of mankind over the centuries may be attribute to the effective management. The irrigation systems, the construction of various monuments like Taj Mahal and the Egyption Pyramids are amply demonstrate the practice of management in the olden days also. The ancient civilization of Greece, Roman and Indus Valley display the marvellous results of good management practices. However, the study of management in a systematic way as district body of knowledge is only of recent origin. So that, management is described as "Oldest of Arts end Youngest of the sciences". Generally Management is categorised in the following way:



Management of sciences:

To again a correct perspective as to what management is? Is it a science (or) an Art. Any branch of science like Physics, Engineering, Chemistry etc should fulfill the following conditions.

The existence of a systematic body of knowledge encompassing a wide array of principles.

The principles have to be evolved on the constance enquiry and examination.

The principles have to be easy for verification and they must universally applicable.

Looked at from this angle, management as a discipline fulfils the above criterion. Management has it own Principles with systematic body of knowledge. The application of these principles helps any practising manager to achieve the desired goals. Further, management is a dynamic subject. It has drawn heavily from economics, psychology, sociology, engineering, mathematics and so on. Though management, considered its subject matter and practical utility, may be considered as “science” but, with the following reasons it cannot be viewed as an ‘exact science’, but an ‘inexact science’.

a) As per the definition of management, the things done through people. Compared to the other inputs people are not standard. They may be changed from time to time in practical.

b) The behaviour of Human being cannot be accurately predicted. Hence, ready made and standard solutions cannot be prescribed.

c) Changes in the environment may effect the plans and render them in effective.

d) The organisation influences the environment by its several decisions include, technological, economic, socio-cultural and political factors. The whole things is so complex that however effective the plans.

So that too many complexities and uncertainties render management an “intact science”.

Management as an Art:

Art rears to the ‘know-how’ the ways of doing things. to accomplish a desired result: As the saying goes ‘ Practice makes Man perfect’, constant practices of theoretical concept contributes for the formation and sharpening of the skills. Therefore, what is required is the right blend of the theory and practice. Generally, the persons in Engineering, Medicine and Accountancy

are sharpen their skill in practice only. Like that, Management is no exception. As an university Gold Medalist in surgery may not necessarily turn out to be a good surgeon. Similarly a Management Graduate from the best of the institutes may not necessarily be very effective in practice.

Effective practice of any Art requires a thorough understanding of science underlying it. So Management Executives are necessarily sharpen their skills, for better change to success.

Thu, science and Art are not mutual by exclusive, but are complementary. The theory component consisting of Principles and Techniques constitute the science, which skills taken for successful application of principles constitute the Art. Therefore, it may be concluded that Management is both a science and an Art.

8.What is meant by “scientific Management”?

Discuss briefly the essential features of scientific Management?

(or)

Explain the main principles of scientific management?

Management is said to be the art of getting things done through others. If so, scientific management is the application of scientific principles to this art of management. Mechanisation, Automation and computerisation of modern industry and the highly competitive nature of the economy have made the art of management a difficult and complicated affair. A scientific approach is required to the problems of industrial management.

An American Engineer F.W. Taylor, who has develop a new technique of management, which came to be known as ‘scientific Management” (or) Taylor system of Management”. While working as an Engineer in a steel works in U.S.A. he has surprised as the state of affairs in the workshop and working methods were wasteful. Workers were not properly selected and trained. Tools are also not suited properly. For all that reasons, Teylor realised that if science could be used to solve the problems of production. Teylor realised that if science could be used to solve the problems of production. It could as well be used to solve the problems of management. He advocated scientific

investigation for the solution of managerial problems. By systematic observation, using scientific methods, he evolved definite laws, rules and principles to govern each and every activity.

The term “Scientific Management” was defined in different ways. According to F.W. Taylor “knowing exactly what you want men to do and seeing that they do it in the best and cheapest way’. According to Peter Drucker, the operational study of work, the analysis of work into its simplest elements and the systematic improvements of the workers performance of each element.

The above definitions make it clear that scientific Management involves a systematic direction on simplification and improvement of working methods. Scientific Management is both a philosophy and practice. As a philosophy, it implies an objective and open minded approach towards problems of industrial Management. As a practice, it means a set of techniques which are meant to increase the efficiency of plant or any organisation.

**Scope of Management:** The scope of scientific management is very wide. It covers every type of human activity. Firstly, it introduced in industrial establishments, it was later applied to offices also.

**Aims of scientific management:** The aim of scientific, management is to eliminate unnecessarily use of men, materials and machines through the application of scientific methods. With all these implementations they reduce cost, maximize production and ensure higher wages to workers, greater profits to management and fair prices to customers.

**Principles / Elements of scientific management:**

**Scientific approach:** In this, every problem affecting the management should be thoroughly investigated by scientific observation, experiment, analysis and interpretation. It short the attitude of ‘I think” should be replaced by the attitude of “I know”.

**Standardization & Simplification:** Standardizations means the process of establishing norms to bring about uniformity. Simplification means of the elimination of super flows varieties and sizes. It leads to economy in the use of machines and tools

and reduces the cost of production. Standardization and simplification are one of the vital media of scientific management.

**Costing and cost control:** Costing (or) cost accountancy is one of the essential aspects of scientific management. It creates a sense of cost consciousness at all levels of management. It helps the management in Planning and Decision - Making. Cost accounting should be developed as an integral part of the overall system of scientific management.

**Scientific Selection and Tradition of workers:** This management lays particular emphasis on the selection of the right man for the right job. This would eliminate waste, improve efficiency of performance and reduce monotony in work. Vocational training, guidance and training are the major fools of scientific approach to labour efficiency.

**Mental Revolution:** Scientific management is considered with the foundation of Mental Revolution. The essence of scientific Management is complete mental revolution in the attitudes of management and workers towards one another. Both should realise that the prosperity and mutual co-operation takes the organization ahead in the competitive world. It should replace its attitude of bossism by the spirit of sympathy and understanding.

With all these above reasons and principles of scientific Management is not only developed a rational approach to solving organizational problems but prepares the way for the professionalisation of management ultimately.

9. How the term “Social Responsibilities of Business” is a main duty of Manager. (or) Explain the social responsibility of a manager.

Like human beings, organizations are the products of environment. An organization is considered as importing various kinds of inputs such as Products (or) services. Thus, a business enterprise is part of a larger system. It imports the inputs from the society and exports the outputs to the society. As a result, a hard link framed between the organization with society.

The concern of the managers towards the society is now considered as one of the important parameters, giving the wards for best corporate performance / businessman of year etc. by various agencies and encouraged by Governments also.

According to Keith Devis “Social Responsibilities refer to the businessman’s decisions and actions taken to reasons at least partially beyond the firm’s direct economic (or) Technical interest”.

H.R. Bowen’s observation is more clear and point to the specific meaning. He says that “Managers who implement policies, to make those decisions, which one desirable to our society”

Business of any concern depending upon various groups such as the customers, Employees, Shareholders, Government and the Community at large in which it exists. These groups in the society are called ‘ Interest Groups’ (or) ‘Stake-holder’ in any modern business organisation. A concern/ organisation responds in a socially responsible ways to cater the growing demands of all these following interest groups.

A) Towards Customers: Production and supply of quality goods and services at an reasonable price is the primary responsibility of business. Customer service be the motto of business. Therefore, every manager in order to serve the customers in an effective way to develop the business.

B) Towards Employees: Management must recruit eminent persons and promote them to the higher positions on their efficiency with a recognition and encouragement. Provide them better working conditions and advanced technology.

C) Towards Shareholders: Shareholders are the real owners of a company. So, the company identifying new opportunities that contribute for getting a fair rate of return on their investment.

D) Towards Government: Government provides various facilities for the development of business like Telecommunications, Banking, Transport etc. For that, business must pays the government taxes and other duties in timely and honestly.

e) Towards Creditors/ suppliers: They provide the necessary inputs to the business. Therefore, the managers can realise the maintaining good business relations with them and meeting the payment obligations timely.

F) Towards Society: The responsibility of Manager of an organisation towards society is large than the above said groups. Any Business Organisation can exist as long as it enjoys societal

sanction. If it falls to safeguard the interest of the society, the pressure from various segments mounts up. To avoid that situations, an Organisation can act in a socially responsible way by.

a) Deciding the product policies in line with the national priorities.

b) Preventing the creation of monopolies.

c) Ensuring hygienic disposal of smoke and waste to prevent pollution.

d) Prevent social problems through business.

e) Preserving the national resources of the nation, but not damage the resources.

With this importance of Social Responsibilities, in India, so many industries have taken to provide Relief Funds, Medical services and social welfare works etc. to help the poor in the society and people around the industry. For example, Tata Company has established a Relief Fund with an idea to help the people suffered with natural calamities, Escorts Group started a Heart Institute, NFCL maintains a green belt around their factory etc.

Therefore, the term “Social Responsibility of Business” is primary duty of a manger. With all these importance of Social Responsibilities, in India, so many industries have taken steps to provide relief funds, medical services and encouraging sports etc, to help the poor people in the society and people around the industry. For example, Tata Company has established a Relief Fund with an idea to help the people suffered with natural calamities, Escorts Ltd. started a Heart Institute, NFCL maintains greenish belt around their factory etc. Therefore, the term “social responsibility of Business” is primary duty of Manager.

10. Explain the importance of planning in business concerns. What are the essentials of a good plan? (or) Discuss the importance, role of planning.

Planning is an important managerial function. Like our daily life, to go on a holiday trip, plan our careers, plan our investments and so on. Organizations are no exception. Lot of planning is done by managers at all levels. Lot of information has to be gathered and processed before a plan is formulated.



In simple a plan is like a Jigsaw Puzzle. All the pieces have to be put together properly so that they make sense. Planning is necessarily forward looking. It is looking into the future. It bridges the gap between where we are and where we want to go. It involves visualizing a future cause of action and putting it in a logical way.

**Purpose of planning:** In absence of planning events are left to chance. Some times organizations fail due to poor planning, but not of lack of resources. Without systematic planning, the resources may not help you to achieving the objectives. Generally, planning setting the objectives, to make the things happen and to control the events. It should co-ordinate and direct all the activities of the organization towards the set objectives. the important features of planning includes.

1. Planning is an intellectual process: Planning is the process of thinking before doing. As such it involves the exercise of intellectual faculties and judgement. The success of plan depends upon the intelligence of the Manager and his ability to forecast to choose the alternatives.

2. Planning is Goal oriented: The main aim of planning is to achieve a set goal or objective. Setting of goals is an integral part of the process of planning. Planning without goals becomes an empty exercise.

3. Planning is a basic function: Planning is the most basic (or) most fundamental of all the managerial function. The other function of management like organising, Directing, Staffing and Controlling can be performed efficiently only after planning.

4. Planning is always concerned with future: A plan is a cause of action to be followed in future to achieve a given objective. The success of planning depends upon how actually the management can foresee events in future.

5. Planning involves choice: They are several causes of action to achieve the designed objective. IN planning also, it involves a careful evaluation of the merits and demerits of each cause of action and selection of most advantageous one.

6. Planning always result oriented: The aim of planning is to promote efficiency and achieve better results. A good plan should bring about optimum utilization of human and material resources and ensure maximum returns with minimum effect and expense.

### **Advantages of Planning:**

1. **Planning removes uncertainty:** The plan (or) course of action to be followed to achieve a set of objectives depends upon the events anticipated to happen in future. The success of the plan depends upon how actually future events are forecast a systematic effort is made to foresee events in future through scientific forecasting. Thus, planning removes the element of uncertainty in business operations.

2. **Ensures better co-ordination:** Generally, planning involves the formulation of policies, programmes and procedures for the realisation of the objectives of the business. This brings about better co-ordination in the activities of individuals and departments.

3. **Helps control:** Planning is a pre-requisite for managerial control. It develops and sets targets for comparison with actuals. This facilities control over costs and business operations.

4. **Planning encourage innovation:** Planning is a process of disciplined and decision making. It promotes original and creative thinking among the managers.

5. **Planning improves motivation:** Planning is a process which pass through the all levels of management. The participation and involvement of all managers in the planning process improves their moral and motivation.

6. **Improves competitive strength:** The aim of planning is to ensure maximum efficiency with minimum effort. Thus, planning helps to reduce the cost of production and improve the competitive strength of the organisation.

**Limitations of planning:** Effective planning is not an easy task. There are number of reasons for failure of planning in practice. The following are the some limitations of planning:

a) Planning is completely costly and time consuming process. If any change occurs, it requires a complete revision of the plan. Besides this, cost also increases.

b) Planning is a future oriented activity which is based on forecast. Planning loses its value if realiable and adequate data is not available.

c) External factors beyond the control of an organisation affect the effectiveness of planning. External factors like Government control, Technological Change and Trade Unions effect the planning process.

d) Another important limitation of planning is resistance to change. The human elements in an organisation always resist change, they are more concerned about the rather than the future, which is uncertain. Planning being forward looking is always affected by this resistance to change.

11. Describe the important steps in planning? (or) How the steps in planning plays a significant role?

Planning is the most fundamental responsibility of a manager. Planning is deciding a future of action. It helps in setting the objectives and achieve them in a specific period of time. But, in process organisations are followed a few variations in the exact procedure of planning. The process includes:

- a) Establish Goals
- b) Establish planning premises
- c) Decide the planning period
- d) Develop alternatives
- e) Derivative plans
- f) Review periodically

the successful implementation and achievement of results through plans are consist of all the above steps. These steps are hierarchically implemented in any organisation. The steps are explain in detail hereunder:

a) Establish goals: Planning being with decisions about what the organization wants to achieve during a specific period. The goals of an organisation are spelt out in clear terms. It is always desirable to express the goals in quantitative terms for all the key areas of the business like production, productivity, market share, employees relations, social responsibilities, profit etc. For example, the objective of a business is to achieve a fair rate of returns of 10% on the investment. To achieve that object, the time frame must also be specified. Besides, adequate attentions has to be paid to the resources required to achieve that objectives, since goal setting is the essential first step in planning.

b) Establish planing premises: Planning premises is simple, are the assumptions that should be made about the various elements of the environment. Planning assumptions(or) premises provide the basic frame work in which plans operate. These aspects of the environment both internal and external to the organisation.

i) Internal premises: Important internal premises include sales forecasts and policies of the organisation, skills. For instance the accuracy of the sales forecast influences to obtain of resources, production scheduling and marketing strategies to achieve the objectives.

ii) External premises: It relative to all those factors in the environment outside the organisation. They include technological changes, general economic conditions, government policies, socio-cultural changes in the society, political stability, competitions in the market and so on.

c) Deciding the planning period: Time factor/ period of time is most important to implement of plan to achieve objectives. Planning period is varied from business to business. In some cases plans are made for a short period, while in some other cases, they are made to cover a longer period. Companies normally plan for a period that can be reasonably anticipated.

d) Develop Alternatives: The next step in planning involves the development of various alternative courses of action. For example, in technical feasibility, economic viability the company select the alternatives courses. The alternative courses are evaluated according to the overall goals of the organisations.

e) Derivative Plans: Thus, the plan decided after a thorough analysis of various alternatives suggests the proposed course of action. To make it operational, it has to be split into departmental plans. The plans thus developed for the various levels down the organization are called "Derivative plans". For example to achieve a sales target of 10,000 units will be possible only specific plans are finalised for the various departments like production, marketing, finance, personnel and so on.

f) Review periodically: Success of the plan is measured by the results. To make sure that the plan is contributing for the results, it review at regular intervals is essential. Such a review helps in taking corrective action, when the plan is in force.

12. How many ways the plans are classified? (or) Distinguish

between strategic planning and operational planning. How they relevant for the management of an organisation?

Planning implies looking into the future. Since it involve deciding a future course of action. Plan always have some time frame-the period in future that a plan covers. Based on the length of time involved, plans are usually classified as Strategic and Operational Plans.

Strategic Plans are designed to meet the broad objectives of the organisation to implement the mission that provides justification for the organisation's existence. Operational plans provide details as to how strategic plans will be accomplished. However, it must be remembered that both strategic and operational plans are not mutually exclusive, but are complimentary.

**Strategic planning:** It is also referred as "Corporate Planning" and "Long-range Planning". Strategic planning has its origin in military organisations, where the objective is to envisage a variety of contingencies that may arise when large forces move into operation. Strategic Planning in a business organisations envisages a comprehensive study of the various external and internal parameters that effect a company to achieve the goals. It helps the management in:

- \* Providing an early Opportunity to correct mistakes.
- \* Making decisions about the right things at the right time.
- \* Understanding what actions to take in order to shape future as desired.

Strategic Plans reflects the socio-economic purpose of the organisation and the values and philosophy of the top management. In Western countries, they have exposed to the strategic planning since long from the last few years, Indian companies have also realised the importance of the strategic planning. It also serves the following functions:

a) Anticipates future opportunities and threats: The investment in large business enterprises today runs into hundred of crores of rupees. The gestation period is too long. During this period many things may change. For example, Enron Power Project in Maharashtra, the agreement to construct a mega power project was entered into the U.S.Enron Power Corporation and the

Government of Maharashtra. The company also commenced the work. In the mean time, the change in the state government resulted in the reversal of the earlier government's decision, causing lot of embarrassment to the parties involved. This case demonstrates the need for close monitoring of the potential threats in the environment.

b) Provide clarity of purpose and directions: The result of the overall increase in the size of companies, the internal departments like production, marketing, finance, personnel etc. have also become quite large. for example, the public sector giant, HMT which prided itself, for a long time on its dominance in the Indian wrist watch market. But, it failed to understand the shift in the consumer preference towards the quartz market. But it failed to understand the shift in the consumer preference towards the quartz market. In the meantime much of HMT's traditional market have been captured effortlessly by TITAN.

Operational Planning: Strategic planning is the prerogative of the top management which is the highest policy making body in any organisation, where as Operational Planning is done at the lower levels. Strategic planning is mostly concerned with "why" of things, whereas operational planning is concerned with the 'How' the things. The operational planning is short term.

13. What are the important types of plans?

Different types of plans are developed by a organization. But all the plans are a common thing is, they all refer to a future course of action. However, some variances in respect of the scope and operation are found in the implementation. The types of plans are:

- i) Mission (or) Purpose.
- ii) Policies
- iii) Procedures
- iv) Rules
- v) Programmes
- vi) Budgets

i) Mission (or) Purpose: Organisations exist in Society. Therefore, it is appropriate to relate their existence to society by satisfying a particular need of the society. Generally, Mission may be

defined as “An Organisation plays its role in the Society”. The terms “Mission” or “Purpose” are often used interchangeably.

According to Thomas Watson, founder of IBM company, the corporate mission is “Respect Individual, give the best Customer Service”. At present the company has changes its technology, marketing and manufacturing techniques, but the basic beliefs remain.

ii) Policies: Kootz and O'Donnel define policy as “a general statement of understanding which guides the thinking and action is decision-making”. A policy is considered to be guideline for action. Policies exist at all levels in the organisation. Policies laid by the Management for all the important functional areas. Policies may be very clear and explicit. For example - Production policies, Financial Policies, Marketing Policies, Personnel Policies etc. are some of the important policies in an organisation.

iii) Procedures: Policies are subdivided and stated in terms of procedures. For example - a company's policy may be to sell the some products at a discount. The procedure may explain how to decide their products which are to be given discount, and what percentage of discount is to be offered. In simple words, procedures ensure order in the performance of operations. Though procedures exist at all levels in an organisation, they are more detailed at the lower levels.

iv) Rules: A rule is also a plan. A rule is a prescribed course of action that states what is to be done under a given set of circumstances. Rules are plans in that they suggest the required action. A Rule requires that a definite action has to be taken in a particular way with respect to a situation. For example, Without identity card, students are not allowed into Lab”. The essence of a rule is that it reflects a managerial decision the certain actions be taken.

v) Programmes: A programme, is a broad term which includes goals, policies, procedures, rules and steps to be taken in putting a plan into action. For instance, launching “Prithi” satellite is a programme. The essential requirement for this assignment includes budgeting, technology and specific date when it is to be launched. With all this, programmes are also referred as “Pre-Schedules”.

vi) Budgets: A Budget is a plan statement for a given period of

time in future expressed in financial (or) Physical units. Budgets contains expected result in numerical terms. Organizational Budgets vary in scope. The main advantages of budgets is that they facilitate the comparison of actual results with planned ones by providing yardsticks for measuring performance. Generally, in individual organisations, they prepare production Budget, Financial Budget, Cost Budget, Labour Budget etc.

with the above types of plans, they may be taken into consideration on their purpose and usage.

14) What is meant by Decision - Making and state the important characteristics of “Decision Making”.

Decision - Making in simple, may be defined as “The selection of a future course of action from among various alternatives”. Thus, it presupposes the existence of various alternatives and in a way of choice between alternatives. Decision-making, without considering the alternatives, like deciding to call “heads” or “tails”, when a coin is flipped, may be very easy. A good decision is based on a choice of calculated alternatives based on judgement. The following characteristics are emerge from definition of Decision - Making.

- 1) Decision Making is a continuous process.
- 2) The questions of decision - making comes into picture only when there are alternatives
- 3) Decision- making is always purposive, in that decisions should aim at achieving some purposes.
- 4) It is an intellectual process.
- 5) Decision - Making is at all levels of managers, so the scope of decisions vary.

The process of decision - making including the following steps/ phrases. If managers of an organisation do not go through this sequence, he has solve the problem in a wrong way.

### **Steps in the decision - Making process:**

**1) Define the problem:** Problem definition is the most crucial step in the entire decision making process. The problem has to be examined from angles so as to identify the exact causes. Unless exact causes are identified, right decision cannot be taken.

2) **Analyse the problem:** The problem has to be thoroughly analysed. The past event that contributed to the problem, the present situation and the impact of the problem on the future have to be examined. Proper analysis of the problem helps the manager to assess the scope and importance of the problem.

3) **Develop alternatives:** Effective Decision - Making depends on the development of, as many alternative solutions, as possible. The ability to identify and develop alternative courses of action depends on the manager's creativity and imagination.

4) **Evaluate Alternatives:** The next step in Decision - Making process involves evaluation of the alternative courses or solutions identified to solve the problem. Evaluation involves a thorough selection of the relative merits and demerits of each of the alternatives.

5) **Select and implement the decision:** Once an alternative is selected, that becomes the decision and it has to be implemented in a systematic way. The required resource for the implementation and the necessary co-operation for the people concerned with (or) affected by the decision have to be ensured.

6) **Follow-up and Feedback:** Once the decision is implemented, it has to be closely monitored. Adequate follow-up measures have to be taken. Constant follow-up helps to take corrective measures as and when necessary it required. Such follow-up enables to identify the shortcomings (or) negative consequences of the decision. It provides valuable feedback on which the decision may be reviewed (or) reconsidered.

15. In how many ways decisions are classified? And what are the important techniques of Decision - Making?

Decisions taken by managers may be classified under various categories depending upon the scope, importance and the impact that they create in the organisation. The following are the different types of decision that are usually taken by managers in the organisation.

a) **Programmed and Non-programmed decisions:** Programmed decisions are normally repetitive in nature. They are easiest to make. Generally, these decisions are taken in consultation with the existing policy (or) rule, which are already laid down in the organisation. For example, Making purchase orders, sanctioning of increment in salary etc. Managers in dealing with such issues

of routine nature, usually follow the established procedures.

On the other hand, Non-programmed decisions are different in that they are non-routine in nature. They are related to some exceptional situations for which there are no established methods in handling such things. For example: handling industrial relations, declining market share, increasing competition etc.

b) **Operational and Strategic Decisions:** Operational decisions relate to the present. The primary purpose is to achieve high degree of efficiency in the company's ongoing process. Better working conditions, effective supervision, better maintenance of the equipment fall in this category. On the other hand, expanding the scale of operations, entering new markets, changing product mix, shifting the manufacturing facility from one place to the other, striking alliances with other companies etc. are strategic in nature. The focus in the operational decisions is on the short-run or immediate present, while it is on the long-run in the case of strategic decisions.

c) **Individual and group decisions:** In organizations, some decisions are taken by a manager individually while some decisions are taken collectively by a group of managers. Individual decisions are taken where the problem is of routine nature, whereas important and strategic decisions which have a bearing on many aspects of the organisation are generally taken by a group.

d) **Organisational and Personal decisions:** Decisions taken by managers in the ordinary course of business relating to organisational issues are organisational decisions. For example, decisions regarding introducing a new incentive system, transferring an employee etc. are taken by managers to achieve certain objectives. Managers do take some decisions which are purely personal in nature. However, their impact may not exactly confine to themselves and they may affect the organisation also. For example: the manager's decision to quit the organisation, though personal in nature, may create some problems for the organisation.

Now-a-days, different techniques are used by managers in making decisions. Here, technique means the affect of the decision taken and implementation of plans in a simple way. These technique if used properly, would contribute for the

effectiveness of the decisions. Some of the important techniques are:

1) **Brainstorming:** This is the oldest and widely followed technique for encouraging creative thinking. It involves the use of a group. It consumes lot of time, due to group process.

2) **Syenites:** The term “Syenites” is derived from a Greet word means “Fitting together of diverse element”. It starts on the premise that this concept encourages novel thinking for the development of alternatives through putting together different ideas which are distinct from each other. A given problem is presented to a group of people with different backgrounds and varied experiences. Here, it is the responsibility of the group leader to present the problem and lead the discussion in order to stimulate creative solutions.

3) **Operations research:** This is the systematic method of studying the basic structure, functions and relationships of an organisation as an open system. The origin and development of operations research is attributed to military operations and applications during second world war. The war put tremendous pressure on the use of available scarce resources for various strategic and tactical operations. Operation Research employs optimizing models like Linear Programming, Project Management, Inventory Control, Decision Theory etc. Thus, operations research attempts to develop the best solution that will contribute to organisational goals.

15. Explain the concept of Authority, Power, Responsibility and influence. (or) Distinguish between Authority and Power. How do they differ from influence, Responsibility.

**Authority:** Authority is the power to command others to do (or) not to do something. It is power to make decisions to guide the actions of others. Authority is defined as “A Superior’s capacity on the basis of his position to make decisions affecting the behaviour of subordinates”. Authority is legalized power, institutionalized in a person.

**Power:** Power is the ability of a person to exercise control over the attitudes, opinion and behaviour of others by virtue of other formal and informal position in an organisation. Power can be exercised over dependents. For example. A Master can exercise his power over his servant.

**Influence:** It is the art of influencing the behaviour of others for accomplishment of a given objective. Behaviour of others can be influenced through the methods of suggestion and persuasion. The following are the differences between Power and Authority.

1) Power is a generic concept. It includes influence and authority. Authority is a form of power. It is legalized power. Thus, Authority is a narrow concept.

2) Authority is associated with position. It is dependent of the person who hold the position. A person holding position will have Power.

3) Authority can be delegated by one person to another. But some forms of power is not amendable for delegation.

4) Authority is binding on subordinates. But power is not binding upon others. An individual may (or) not accept the power of others.

**Responsibility:** It is an obligation to perform a duty. When a superior delegates work to his subordinate along with necessary authority to do the work. Responsibility has three aspects

1) It is the obligation of a sub-ordinate.

2) It is the obligation to perform a duty

3) It arises out of the superior- subordinate relationship.

8. What do you mean by “Centralisation of Authority”?

Decision - making is one of the basic functions of management. Centralization of the power to make decisions at higher levels of management. Alien defines Centralisation as “the systematic and consistent reservation of authority at central point in an organization”. Thus centralisation refers to the reservation of authority at the top level of the organisation. Accordingly to Fayol - “Centralisation represents a state of affairs where the role of subordinates considerably reduced”. Therefore, in Centralisation decisions regarding the work are not made by subordinates who do the work, but by those at higher levels of management. In another words centralisation is a state of affairs where decision-making powers are retained but no delegated by higher management levels. Centralisation of Authority at the top may take following forms:

a) The administrative authority for planning, organization, co-ordination and control may be reserved for Top Level Management.

b) The Operating (or) Executive Authority may be reserved for Middle level management.

c) Command and control are the operations at the lower level may be placed in the hands higher authorities in the line.

d) Work may be delegated to lower level, but authority may be retained by higher authorities.

**Advantages:**

1) It facilitates standardization of procedures and systems. This ensures consistency and conformity business policy.

2) Staff with lesser qualification and experience can be appointed at lower levels and there economy may be effected in establishment cost.

3) Economics of large-scale operations can be derived by Centralisation of buying. Selling. managerial and financial functions.

4) It facilitates development of personal leadership. For example, it increases the influence Chief Executive/ Top Level Managers.

In highly centralised organisation, the entire authority is concerned in the hands of few officers/ Managers at the Top. Hence, subordinates cannot act independently without taking orders from the higher authorities”, with these practical problems the following disadvantages are also be faced with centralisation”.

a) The positions of Top level will be overburdened with a number of duties. As a result they can't devote sufficient time to vital problems.

b) It slows down the flow of operations essential as every decision has to be taken by officers at top and middle level management only.

c) It widens the gap between the Management and customers.

d) There may be undue delay in communicating the decisions take at the higher level to the operatives at the lower level.

e) It does not offer scope for specialisation, as subordinates have no opportunity to exhibit their skills and talents.

9. What is Decentralisation? What are its aims (or) Distinguish between “Delegation of Authority and “Decentralization” (or)

Discuss the important factors that influence the degree of Denaturalization in an organization.

The terms ‘Delegation’ and ‘Decentralisation’ are often confused. While in Delegation, authority is transferred on one-to-one basis from the Superior to the Subordinate, Decentralisation of authority is broader in scope and involves the transfer of authority in the organisation from top to the lower levels. Thus, the greater amount of authority delegated through the organisation Decentralization is more wider in scope in taking Decisions. Allen defines decentralisation as ‘The systematic efforts to delegate Authority to lowest levels except that which can only be exercised at central points”. Decentralisation is the fullest possible delegation of rights and power for the performance of a task. It involves the transfer of right and power to all the executives at a particular level of management. For example, in delegation if the general manager asks one of the departmental manager to recruit supervisors is given on his behalf, on the other hand, in decentralisation if the authority to recruit to supervisors is given to all the departmental managers. The main differences between Delegation and Decentralisation are:

1) Delegation is a process, while Decentralisation is a matter of policy.

2) Delegation takes place between two individuals i.e. a Superior and his Subordinate. Decentralisation is between Top management and Departments.

3) Delegation is a necessary as the manager cannot do the entire work done by himself. Decentralization is optional.

4) Delegation retains the right of control over the work delegated. In Decentralisation, the Authority of Control is also delegated.

The Degree of Centralisation in an organisation will vary with time and circumstances. It will also vary for the different units of the organisation. For example, in general in many organisations, production and sales departments have gained a high degree of centralisation, whereas Financial Departments have tended to remain relatively centralised. The following factors are influenced for Decentralisation”.

a) Philosophy of Top Management: Some firms are highly decentralised because of the character and philosophy of top management. For instance, in Tata Group Companies have

registered a phenomenal growth over the th years, it is partly because of the operational freedom and autonomy given to the various units in the group enjoy.

b) Attitude of subordinate Managers: The attitude of subordinate manager is another important factor that influences the decentralisation because they can both encourage/ discourage decentralization. If subordinates want decentralisation, top management can not hold every thing in their hands for too long a period.

c) Company size and rate of growth: It is very difficult to manage a large organisation efficiently with decision making authority concentrated in one or few people at the top. Further, as an organization grows in size and complexity, the need for decentralisation is obviously felt.

#### **Advantages of Decentralization:**

1. It reduces the heavy burden of duties of the top executives. The top executives can concentrate their attention on overall problems of Planning and Control.
2. It gives power and responsibility to a number of executives. Thus, it gives an opportunity to develop their talents.
3. It offers scope for diversification of activities and for starting new lines of manufacture (or) distribution.
4. It minimizes loss resulting from wrong decisions, as decision making powers are entrusted to a large number of executives.
5. It motivates them to higher levels of productivity.

#### **Disadvantages of decentralisation:**

1. It creates problems of co-ordination as authority is dispersed at various levels.
2. It imposes heavy financial burden on the organisation.
3. It does not facilitate quick decisions.
10. "Delegation of Authority" is a good management technique - Explain (or) What is the meaning and purpose of Delegation.

Delegation is the process of by which authority is granted to a subordinate by his superior. In simple the process of dividing the work and entrusting a part of it to others is called Delegation.

According to Allen the entrustment of responsibility and authority to others and the creation of accountability for performance". Delegation enables managers to pass on their burden of work to others, so that they can concentrate their time and energy on higher problem of management.

**Elements of Delegation:** The following are the elements (or) steps involved in the process of delegation.

1) **Assignment of Responsibility:** This is the first step in delegation. The superior should indicate what work the subordinate must do. The duty to be performed is the responsibility of the subordinate.

2) **Granting of Authority:** When the subordinates are assigned certain tasks (or) responsibilities, they need authority also to perform the tasks. Authority is required by them to use of the resources of the organization in the execution of tasks. For example, if the production Manager is entrusted with the responsibility of producing goods, he must be given the authority to procure (or) use raw materials, apply certain tools etc.

3) **Creation of accountability:** Delegation of authority imposes on the obligation on the subordinates to perform the duty assigned. In other words, the subordinate is accountable to his Superior for the tasks delegated. Normally, accountability is created by asking the subordinate to submit performance reports/ status reports from time to time.

Though delegation is a powerful tool to motivate the subordinates and to develop managerial skills in them. But, in some circumstances / reasons delegation often fails in organisation, in which Superiors and Subordinates are responsible. Some of the following are:

- a) Lack of faith in the confidence in subordinates.
- b) Lack of ability to direct
- c) Lack of self-confidence
- d) Fear of Criticism.



To overcome many of these difficulties, both Superiors and Subordinates must take a hard, look on themselves, recognize their own fears.

11. Write a short note on Span of Management/ Span of supervision (or) what is meant by "Span of Management"

The span of control/ Management refers to number of immediate subordinates reporting a given manager. If an organisation, the General Manager has only one manager under his personal direction, the General Manager's span of control is one. If the General Manager has four managers reporting to him, his span of Control is four. Thus, the number of subordinates directly supervised by an executive and the number of employees who may have direct access to him, is his span of control. Span of Management refers to the number of subordinates that report directly to a manager. The traditional theory of management was much concerned with the specific number of subordinates.

That could be supervised by a manager. For instance, Lydall Unwick suggests "the ideal number of subordinates for all superior positions to be four and at the lower level of organization the number may be eight (or) Twelve "A manager can delegate work but not the responsibility associated with it. In spite of delegation, he will be accountable to his superior for the work delegated. Therefore, he has to superior for the work delegated to his subordinates. There is a limit to the number of subordinates whom he can efficiently supervise. A manager's capacity to supervise the activities of a large number of subordinates is limited for the following reasons.

- 1) The time at his disposal is limited.
- 2) His physical and mental energies are limited.
- 3) His capacity to deal with large number of subordinates individually and as a team is limited.
- 4) Most of his time has to spent on collectively information on the activities of subordinates.

**Factors determining the span of Management/ supervision:**  
The span of Control / Supervision for a business for a particular management level may be narrow or wide depending upon a number of factors. Span of Control is said to be narrow when the number of subordinates to be supervised is less and wide when

the number is large. The following are some of the important factors, which determine the span of supervision in any business.

1. **Nature of work:** If the work is uniform and repetitive, span of management can be wide. If the work is complex nature, the span of Management has to be restricted.

2. **Capacity and Experience of Manager:** It depends upon the knowledge, energy, personality interest and experience of the manager.

3. **Capacity of the subordinates:** If the subordinates are competent, well trained and experienced, the manager can supervise a wider span. If the subordinate are incompetent and inexperienced, span of supervision has to be shortened.

4. **Staff Assistance:** If the manager is provided with expert staff for planning operations or with personal assistants to look after the routine work, span of supervision can be wide, more time can be devoted to supervision.

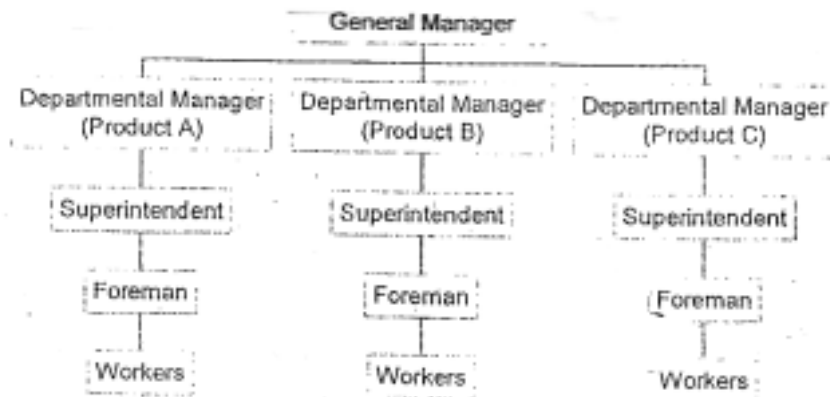
5. **Efficiency of organisation:** If the system of internal organisation and control procedures are efficient, span of supervision can be wide.

6. **Extent of delegation of authority:** If authority is clearly and adequately delegated, supervision becomes easy. Hence span of management can be enlarged.

12. Explain the meaning of Line Organisation. what are its merits and demerits (or) Explain the meaning of departmental organization. List out the advantages and disadvantages of it.

It line (or) Departmental Organisation is the oldest and simplest form of an organisation. It was also called Military Form of Organisation. Under this system, the business unit is divided into distinct departments on the basis of products produced or process of manufacture (or) areas covered. Each department is placed under the control and direction of one person called the Departmental Head (or) Departmental Manager. There will be General Manager in charge of the whole organisation. In this system, the Departmental Manager enjoy equal status and are absolutely independent manager receives orders from the General Manger and passes them on to his immediate subordinate. Then the Subordinate, passes on the orders to the workers. Each departmental manager is responsible

to the General Manager for the smooth and efficient functioning of his department. He has to look after the various operations of the entire departments like purchasing material, training to employees, market the products etc. he is the supreme authority in the department and his word is final as far as his subordinates are concerned. The essential feature of the Line Organisation is that the authority flows from the Top to Bottom. According to Koontz "Line Authority becomes parent from the scalar principle as being that relationship in which superior exercise direct supervision over a subordinate. An authority relationship in direct line (or) steps".



Principles Observed for the successful operation of the system:

- Orders should be given to the Subordinates only through the immediate superior.
- Orders should be received from only one immediate superior. In other words, there should be only one chain of command.
- The number of subordinates under the command of superior should be limited.

#### Advantages of line organisation:

- 1) Simplicity:** The introduction, operation of this system is easy and simple to understand.
- 2) Definite Responsibility:** The duties and responsibilities of individual in the organisation are clearly defined. So, there can be no scope for confusion, misunderstanding (or) Overlapping.

**3) Unity of Command:** Each individual is responsible to only to his immediate superior. This establishes a clear cut identity between authority, responsibility and Accountability. Due to this unity of command, it is easy to maintain discipline in the entire organisation.

**4) Prompt Decisions:** The departmental Managers can take quick decisions and pass them on to subordinates for strict implementation.

**5) Flexibility:** It is easy to make adjustments in the organisation according to changes in the business situation.

#### Disadvantages of Line Organisation:

**1) Overburdening of duties:** The main demerit of this system is that the departmental manager is overburdened with a large number of duties. Management becomes difficult as the business grows in size.

**2) Inadequacy of communication:** Information flows from Top to Bottom but not in the reverse direction. So, subordinates execute orders blindly, even if such orders are wrong given by superiors.

**3) Lack of Co-ordination:** The departmental managers enjoy equal status. They are absolutely independent of each other. In making decisions, the manager thinks about organisation as a whole. Therefore, it fails to encourage co-operation among departmental managers.

**4) Lack of Specialisation:** Absence of managerial specialisation is one of the serious drawbacks of this system. A single individual, however efficient he may be, cannot be an expert in all aspects of managerial tasks.

**5) Dictatorial Decisions:** The questions of Superiors cannot be questioned and they demand obedience from Subordinates. As a result, managers tend to become dictators, but not leaders of action.

**13. Explain the concept of "Organisation Development" (Or) Write the features of organization development and how does it differ from management development.**

Organisation Development is a systematic approach to launching and expansion in organisation. Commonly it is referred as O.D. It is a long-term programme. It is not a one time process.

but in an ongoing and cyclic process. OD is fairly old, its concept has not been specified accurately and people use it to refer to a wide range of strategies and techniques applied for organised change and improvements. The above said process is going on like that, but in the modern management theory OD is defined as follows:

Organisation development is long-range effort to improve an organisation's problem-solving and renewal process, particularly through a more effective and assist management of organisation culture. Organisation development as long-term strategy for organisational change has played key role in many organisations. It has basic problem in change in internal environment of organisation in which people work. OD attempts to bring comprehensive change in the organisation change in structure, technology and people. It is quite suitable for improving organisational performance as long-term basis.

#### **The features of OD can be defined as:**

- 1) OD is basically long-term effort for change meant to elevate the organisation.
- 2) OD is concerned not only with changes in organisation structure but also with changes in organisational philosophy, skills of individuals and way of their working.
- 3) OD helps to change the organisation according to achieve its objectives.
- 4) In OD a variety of techniques and new inventions are used/implemented.

**Management Development:** The main Management Development aims at Developing managers individually for the accomplishment of better performance in organisational setting. Management Development tries to fit the men to the organisation with its existing objectives and structure. Some people believe that OD is an extension of management development. But this argument is not correct, because OD also uses Management Development techniques because training is an integral part of OD. The following are the basic differences between OD and MD.

Organisational Development	Management Development
1. It changes the nature of the	1. It improves contribution of

entire organisation	specified person/ manager
2. Focus on the improvement structure of the organisation	2. Focus on the training and Developing the employees
3. It is a long term strategy for innovation	3. It is a short term strategy
4. It is problem solving approach	4. It is a training and Educative approach

With these facts, organisation development is differ from Management Development but Management development is a integral part of organisation development.

14. What is meaning of "Directing"? and how it involve in management. (or) Discuss the importance of directing in management process.

In an organisation, directing function is begins after the remaining of planning organising and staffing function. A superior Manager directs his subordinated as to how and when they to perform various duties assigned to them. Without this direction human factors in the organisation become inactive. Generally every manager in the organisation gives direction to his subordinates.

Direction may be defined as a function of management which is related with instructing, guiding, encouraging human factors in the organisation to achieve organisation objectives. The direction function consists of three elements.

- a) Motivation
- b) Leadership
- c) Communication

Characteristics of Direction:

- 1) It is an important managerial function. Through Direction, management initialities actions in the organisation.
- 2) Direction performed at all levels of Management. It is performed in the context of superior subordinate relationship.
- 3) Direction is a continuous process. Generally, a Manager in an organisation guides his subordinates at all times as a

continuous.

4) It initiates at the Top level of Management and follow to bottom through the hierarchy. That is a Subordinate is to be directed by his superior.

**Importance of Direction:** The important of Direction in the organisation can be viewed by the fact that every action is initiated through direction. It is not very easy to maintain the functioning a large organisations. Because here individual efforts becomes a complex problem for management with the Directing function the following advantages are presented.

1. Direction initiates actions: The human factors and non-human factors are handled in a certain way to get the desired results. Through Direction, management guides individuals in the organisation to function in the desired way to get organisational objectives. So, this direction function initiates for other managerial stations.

2) Direction integrates employee's efforts: The performance of a person affects the performance of others in the organisation. thus, individuals efforts need to be integrated so that organisation achieves its objectives in the most efficient manner and this is possible through Direction only.

3) Provides stability and balance in the organisation: Leadership, Motivation and communication provide stability in the organisation.

4) Directing facilitates changes in the organisation: Organisation exists in the society and any change in the society can changes organisation process. Management of an organisation motivates individuals affected by these changes which is an essential part of direction.

Thus, the Management function of the organisation.

15. Motivation is the core of Management" Comment (or) What practical suggestions would you offer to the management to motivate its staff in an industrial organisation (or) Define motivation and enumerate the important motivational techniques.

Motivation is an effective instrument in the hands of a manager for inspiring the workforce and creating a confidence in it. By motivating the workforce, management creates will to work' which is necessary for the achievement of organisational

goals. Motivation involves getting the members of the group to perform effectively and to carry out the purpose of the organisation.

The word "Motivation" has been derived from the word "Motive" which means any idea, need (or) emotion that prompts a man into action. Motive can be known by studying person's needs and desires. The management should try to understand the motives of individuals which cause different types of behaviour. Motivation is the process of influencing or stimulating a person to take action by creating a work environment whereby the goals of the organisation and the needs of the people are satisfied. In an organisation, people are said to be motivated if they perform their jobs efficiently and effectively.

According to Dalton E. Mc. Farland, 'Motivation refers to the way in which argues, drives desires, aspirations, striving (or) needs direct, control (or) explain the behaviour of human beings'.

So that motivation is one of the most important factors determining organisational efficiency. Every superior in the organisation must motivate his subordinate for the right type of behaviour. The importance of motivation is-the motivated employees put higher performance as compared to other employees. Motivated Employees stay in the organisation and their absence is quite low due to the encouragement from the superior.

Need is the starting point of motivation. An unsatisfied need creates tension that stimulates drives within the individual. these drives generate a search behavior to achieve particular goals that will satisfy the need and lead to reduction of tension. The action taken by the individual will lead to reward which satisfies the need and reduces tension.

Need   Tension      Search      Performance   Reward

behaviour

Need satisfaction

Management can do its job effectively only through motivating people to work for the accomplishment of organisational objectives. But, it is difficult to understand

motivation without considering what people want and expect from their work.

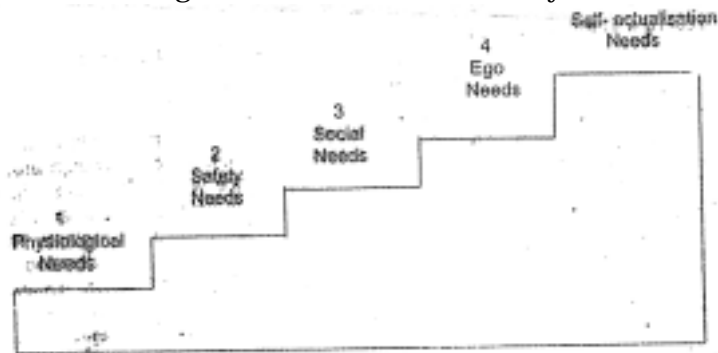
Human needs may be classified as (1) Basic Physiological (or) Primary needs, and (2) social and psychological or secondary needs. Some of the Physiological needs are food, water, sleep air to breathe, clothing and shelter. These needs arise out of the basic physiology of life and are important for the survival of a man. They are virtually universal among people, but they exist in different intensity. Needs are also influenced by the social environment. One man may require wheat to satisfy his hunger, other may require rice for the same purpose.

Secondary Needs are related to mind and spirit rather than to the physiology life. Many of these needs develop as one matures. Instances are belongingness, recognition, self-esteem, sense of duty and so on. Actually, these are the needs which complicate the efforts of managers because the secondary needs vary among people much more than the primary physiological or basic needs.

With all that motivation is core of management.

16. Explain Maslow's need Hierarchy. Discuss with suitable examples.

A.H. Maslow developed a conceptual framework for understanding human motivation which has been widely acclaimed. According to him, process of motivation begins with an assumption that behaviour, atleast in part, is directed towards the achievement of satisfaction of needs. Maslow proposed that human needs can be arranged in a particular order from the lower to the higher. The need hierarchy is as follows:.



1) Basic physiological needs: The needs that are taken as the starting point for motivation theory are the so-called physiological needs. These needs relate to the survival and maintenance of human life. They include such things as food, clothing, shelter, air, water and other necessities of life.

2. Safety and Security needs: After satisfying the Physiological needs, people want the assurance of maintaining a given economic level. They want job security, personal security, security of source of income, provision for old age, insurance against risks etc.

3. Social needs: Man is a social being. He is, therefore, interested in conversation, sociability, exchange of feelings and grievance, companionship, recognition, belongingness etc.

4. Esteem and status needs: These needs embrace such things as self-confidence, independence, achievement, competence, knowledge and success. They are also known as Egoistic needs. They are concerned with prestige and status of the individual.

5. Self-actualization needs: The final step under the priority model is the need for self-fulfillment or the need to fulfil what a person considers to be his mission in life. It involves realising one's potentialities for continued self-development and for being relative in the broadest sense of the word. After his needs are fulfilled, he wants to do something which is challenging and since this challenge gives him the initiative to work. The sense of achievement gives him psychological satisfaction.

Maslow felt that needs have a definite sequence of domination. Second need does not dominate until first need is reasonably satisfied and third need does not dominate until first two needs have been reasonably satisfied and so on. If one need is satisfied, the other need arises. According to Maslow, needs arise in a certain order of preference and not randomly. Another point to note is that once a need or a certain order of needs is satisfied, it ceases to be a motivating factor. Man lives for bread alone as long as it is not available. In the absence of air one can't live; it is plenty of air which ceases to be motivating.

The psychological and security needs are finite, but the needs of higher order are sufficiently infinite and are likely to be dominant in persons at higher levels in the organisation. This has been proved by various studies.

17. Explain Herzberg's theory and differentiate it from Maslow's Theory of Need Hierarchy.

A research was conducted by Herzberg and his associates based on the interview of around 200 engineers and accountants who worked for eleven different firm in Pittsburgh area. These men were asked to recall specific incidents in their experience which made them feel particularly bad about jobs. The findings of the research led to draw a distinction between what are called as "Motivators" and "Hygiene Factors". To this group of engineers and accountants, the real motivators were opportunities to become more expert and to handle more demanding assignments. Hygiene factors served to prevent loss of money and efficiency. Thus, hygiene factors provide no motivation to the employees, but the absence of these factors as dissatisfier.

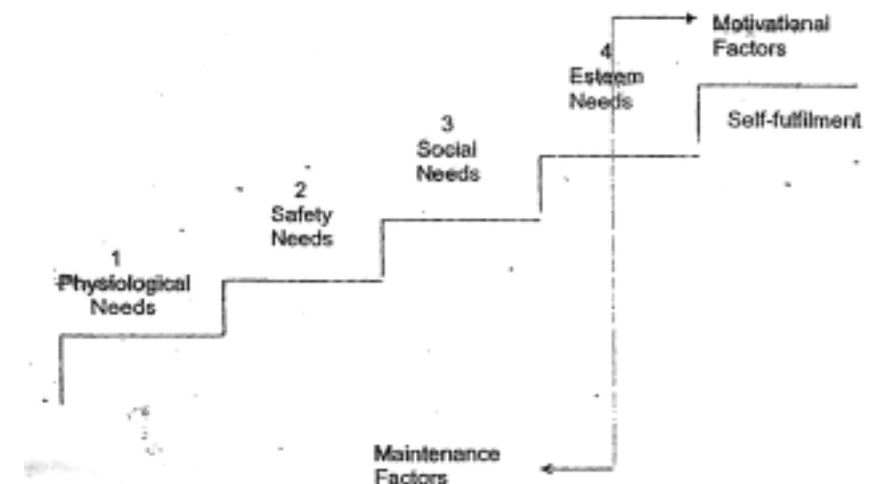
some job conditions operate primarily to dissatisfy employees. Their presence does not motivate employees in a strong way. Many of these factors are traditionally perceived by management as motivators, but the factors are really more potent as dissatisfiers. They are called Maintenance factors in job because they are necessary to maintain a reasonable level of satisfaction among the employees. Their absence proves to be a strong dissatisfier. They are also known as "Dissatisfiers" or "Hygienic factors" because they support employee's mental health. Another set of job conditions operates primarily to build strong motivation and high job satisfaction among the employees. These conditions are overall company policy and administration. The presence of these factors at a satisfactory level prevents job dissatisfaction, but they do not provide motivation to the employees. So, they are not considered as motivational factors. Motivational factors, on the other hand, are essential for increasing the productivity of the employees. They are known as satisfiers and include such factors as recognition, feeling of accomplishment and achievement opportunity of advancement and potential for personal growth, responsibility and sense of a job and individual importance, new experience and challenging work etc.

### Comparison of Herzberg and Maslow Models:

There is a great similarity between Herzberg's and Maslow's models. A close examination of Herzberg's model indicates that what is actually said is that some employees

may have achieved a level of social and economic progress in the society and for them higher level needs of Maslow's and the primary motivators. However, they still must satisfy the lower level needs for maintenance of their current state. Herzberg's model adds to the Maslow's need hierarchy model because it draws a distinction between the two groups of factors namely, motivational and maintenance, and points out that the motivational factors are often derived from the job itself. Most of the maintenance factors come under comparatively lower order needs. In economically advanced countries such needs of the employees are fulfilled and hence cease to be motivators.

The following figure illustrates the relationship between the Maslow and Herzberg:



From the above figure, Maslow's Physiological security and social needs come under Herzberg's maintenance factors whereas self-fulfillment comes under motivating factors. It may further and another under motivational factors. The esteem needs are divided because there are some distinct differences between status and recognition. Status tends to be a function of the position one occupies. Recognition is gained through competence and achievement. It is earned and granted by others. That is why, status is classified with physiological, safety and social

needs as a hygiene factor, while recognition is classified with esteem as a motivator.

18. What is meant by "Leadership"? Explain the characteristics of Leadership.

Leadership is a process of influence on a group. It is an important part of Manager's Job. Effective leadership is necessary for inspiring the people to work for the accomplishment of given objectives. It provides a cohesive force, which holds the group intact and develops a spirit of co-operation. Effective leadership is essential for efficient direction of human efforts towards the predetermined goals. A leader interprets the objectives of the people working under him and guides them towards the achievement of those objectives. In the words of Louis. A. Allen "A leader is one who guides and directs other people. He gives the efforts of his followers a direction and purpose by influencing their behaviour". Managers at all levels must perform this function of leadership to lead the subordinates towards organisational goals.

Leadership is process of influencing the subordinates so that they cooperate enthusiastically in the achievement of group goals. Leadership is a process of influencing th subordinates so that they cooperate enthusiastically in achievement of group goals. According to Haimann, "Leadership is the process by which an executive imaginatively directs, guides and influences the work of others in choosing and attaining specified goals by mediating between the individuals and the organisation in such a manner that both will obtain maximum satisfaction".

### **Characteristics of Leadership:**

1. Leadership is a process of influence: Leadership is a process whose importance ingredient is the influence exercised by the leader on group members. A person is said to have an influence over other when they are willing to carry out his wishes and accept his advice, guidance and direction. Successful leaders are able to influence the behaviour, attitudes and beliefs of their followers.

2. Leadership is related to a situation: Leadership is always related to a particular situation, at a given point of time and under a specific set of circumstances. That means leadership styles will be different under different circumstances.

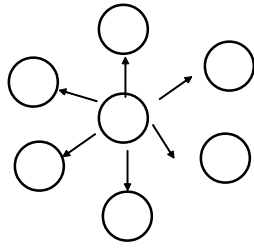
3. Leadership is the function of stimulating: Leadership is the function of motivating people to strive willingly to attain organisation objectives. Leaders are considered successful when they are able to subordinate the individual interests of the employees to the general interests of the organisation. A successful leader allows his subordinates to have their individual goals set up by themselves in such a way that they do not conflict with the organisational objectives.

19. What is meant by Leadership Style? Explain how will you secure effective leadership behaviour (Or) "Different Leadership Styles are necessary for different situations" -Discuss.

Leadership style refers to a Leader's behaviour. Behavioural pattern which the leader reflects in his role as a leader is often described as the style of leadership. Leadership style is the result of leader's philosophy, personality, experience and value system. It also depends upon the types of followers and the organiational atmosphere prevailing in the enterprise. The main important different types of leadership style are:

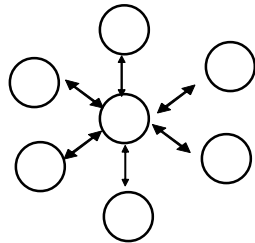
- 1) Autocratic Leadership
- 2) Participative Leadership
- 3) Free Rein Leadership
- 4) Paternalistic Leadership

1) Autocratic Leadership: This leadership is also referred as "Authoritarian Leadership". the autocratic leader gives order which must be obeyed by the subordinates. He determines policies for the group without consulting them, and does not give detailed information about future plans, but simply tells the group that what immediate steps they must take. He gives personal praise or criticism to each member on his own initiative and remains alone from the group for the major part of the time. Thus, under this style, all decision-making power is centralised in this leader. The fundamental problem with this type of leadership style is that subordinates are made aware of what to do but not why. Tasks are assigned, facilities provided, and direction given without consultation with the individual carrying out the work.



ii) Participative leader: In simple, this leader is referred as "Democratic leader". A democratic Leader is one who gives instructions only after consulting the group. He sees to it that policies are worked out ingroup discussions and with the acceptance of the group. Participative Leader decentralizes managerial authority. A participate manager exercises control mostly by using forces within the group. Some of the advantage of participative leadership are:

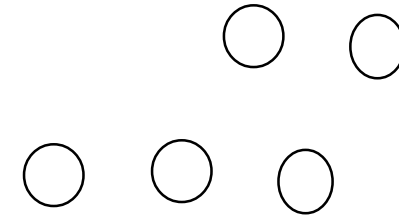
- \* It increases the acceptance of management's ideas.
- \* It improves the attitude of employees towards their jobs and the organisation.
- \* It increases the cooperation between management and employees.
- \* It increases the morale of the employees.



iii) Free Rein (or) Laissez Faire Leader:

A Free Rein leader does not lead, but leaves the group entirely to itself. The Free Rein leader avoids power. He depends largely upon the group to establish its own goals and work out its own problems. Group members work themselves and provide their own motivation. This is also known as Permissive style of leadership, where there is least intervention by the leader, abdication of authority and letting the group to operate entirely

on its own. This mode of direction can produce good and quick result, if the subordinates are highly educated and brilliant people who have a sincere desire to go ahead and perform their responsibilities.



iv) Paternalistic Leadership: Under this Leadership the leader assumes that his functions paternal of fatherly. His attitude is that of treating the relationship between the leader and his group as that of family with the leader as the head of family. He works to help, guide, protect and keep his followers happily working together as members of a family. He provides them with good working conditions. This style has been successful, particularly in Japan because of its cultural background. In Indian Corporate's like Birla's, Ambani's of Reliance, Prirojha's of Kinetic are also successfully follow this style. It is said that employees under such leadership will work harder out of gratitude.

20. Explain Likert's Management Theory (or) What is the essence of Likert's Management Theory.

Rinses Likert and his associates, of the University of Michigan conducted extensive survey of Management and leadership patterns in a large number of organizations. Within the basic style categories of task orientation and employee orientation, Likert developed a four level model of leadership effectiveness. These patterns of leadership were termed systems of Management and were in different stages of evolution in the patterns of management in organisations. Likert's four system of management in terms of leadership styles are listed below and this are referred as Systems:

System 1: Exploitative Authoritative

System 2: Benevolent Authoritative



System 3: Consultative

System 4: Participative / Democratic

**System-1 Management:** System 1 managers makes all the work related decisions, and order their subordinates to carry them out. Standards and methods of performance are also set by the managers. The communication between the managers and the subordinates is highly formal in nature and downward in direction. The subordinates have absolutely no say in any matter in the organisation. Such managers are highly autocratic who believe in threats and punishment to get the things done. They follow strict supervision over their subordinates.

**System-2: management:** The managers under this system are also automatic but they are not fully authoritative. At times, they give some flexibility to the subordinates to carry out their tasks within the prescribed limits. Subordinates who meet or exceed their goals may be rewarded. Thus, managers adopt paternoshing or paternalistic attitude, towards the obedient and faithful subordinates. They are very harsh with the subordinates who do not carry out their tasks.

**System-3: Management:** Under this system, managers set goals and issue general orders after discussing them with the subordinates. They take only major decisions and leave the routine decisions to be taken by the subordinates. Subordinates are free to discuss the work-related matters with their superiors. Thus, there exists two-way communication in the organisation. The control system tends to be flexible and goal-oriented. More emphasis is placed on reward than on punishment to motivate the subordinates.

**System-4: Management:** This is ideal system towards which organisations should work. The relations between the managers and subordinates are cordial and friendly. The communication system is completely open. The goals are set and work-related decisions are taken by the subordinates. Group approach is adopted in supervision and control. Thus, system 4 is to democratic style of leadership. The managers are very supportive in their attitude towards the subordinates. Performance standards are mutually set by the.

Superior and subordinates so as to permit self-appraisal by the subordinates.

Thus, Likert sought to measure and evaluate the actual patterns of management in wide range of organisations within the framework of his four systems. He found that most individual managers and organisations fit into one or the other of his terms of certain operating characteristics related to such variables as goal-setting, decision-making communication and control. Likert also sought to relate his systems of management with certain performance characteristics like productivity, quality wastage and employee turnover and absenteeism. Likert also found many manages and organisations operating in system 2 and 3. For such organisations, he suggested extensive and intensive leadership training at all levels of management so as to move into system 4 management.

21. What is communication. Describe its importance. (or) Described the meaning and importance of the management function "communication" (or) What is the nature of communication, Justify the need for communication.

Communication is perhaps as old as the human civilization. Its origin can be traced to the growth of the human society. In the primitive stage of human society, man satisfied his wants, which were limited to the basic needs of food, clothing and shelter by his own efforts. Life was isolated and there was little communication. communication was in the form of codes, indications, signals and expressions. As group developed and wants continued to increase, forms of communication also developed. Science entered the filed and means of oral communication developed. In the present day world of mass production, involving large number of personnel, communication is the vital need at every step in industrial and commercial activities.

The term "Communication" is freely used by everyone and it is derived from the Latin word "Communis" which means common. It is one of the most frequently discussed subjects the filed of organisational behaviour is derived from the Latin word "Communis" which means common. The term communication is used to signify the act of transferring ideas or receiving it by any means-word of mouth, the telephone, telegram, letter, message etc. The word communication often stands for a letter or a message. To communicate is to talk or to confirm, send or receive a message. This also include writing letters or communicating in any other form. IN an organisation managers have to

communicate constantly. All the managerial functions are discharged through communication. Direction, guidance, delegation of authority, assignment of duties etc. are done through communication. Thus communication is not a one way process. It is not only transmitting message or transferring ideas but also receiving them. According to Louis Allen, "Communication is the sum of all things, a person when he wants to create an understanding in the mind of another. It involves a systematic and continuous process of telling, listening and understanding". According to Keith Davis "it is the process of passing information and understanding from one person to another. It is essentially a bridge between people. By using the bridge of meaning, a person can safely cross the river of misunderstanding that separates all the people".

#### **Characteristics of communication:**

1. Communication is a two-way process because orders, instructions, directions, guidelines, etc. are directed or communicated downwards while suggestions, complaints, grievances etc. are communicated upwards. This not only involves giving ideas but also receiving them.
2. No business organisation can exist without communication because it is necessary to have a congerial relationship between the different employees working at different levels and why it is a continuous process.
3. The communication process continues to the extent that ideas and messages are communicated and received.
4. It may be formal or informal though it may be in different mediums.

#### **Elements of communication:**

1. Communicator - The person who sends the ideas.
2. Communicate - the person who receives the ideas.
3. Transmission - The act, way or the method of issuing or sending the ideas.
4. Message - the idea, order, instruction, suggestion, observation, appeal, request, report etc. which is to be communicated.
5. Response - The reaction the reply of the person to whom the message was communicated.

**Importance of communication:** The importance of communication has increased tremendously thanks to the advent of various modern devices. The Human Civilization will cease without communication. The following points are being out the importance of communication in management.

1. Smooth running of enterprise: Effective communication ensures the smooth running of an enterprises. Communication plays a vital role in all kinds of organisations. IN the case of complex organisations, communications solves a lot of problems. The work of the subordinates depends to a large extent upon the communication they receive from their superiors. Similarly the successful completion of the task by the superior depends upon the nature and flow of communication from the subordinates to the superiors.
  2. Quick decisions and implementation: Communication greatly facilities decision-making. However intelligent the personnel may be, it would be of no use, if the top management cannot effectively communicate policies and decisions to them. The effective implementation of decision depends upon the nature of communication.
  3. Planning and co-ordination: Communication greatly helps in planning and co-operations participation in planning is essential in order to successfully execute it and this is secured by communication. Similarly, co-ordination between various individuals and activities is brought out by communication.
  4. Maximum productivity: Maximum output with minimum input is the aim of all managers. This can be achieved by effective communication. Communication helps in minimising cost and friction and in maximising production.
  5. Morale Building and democratic management: Here employees will have the opportunity to present their ideas, suggestions and complaints. If the grievances are not set right at the early stage, they will ultimately result in industrial unrest. Democratic management is possible only when there is an effective communication system.
22. Explain the process of communication (or) What is process of communication in business organisations.

Communication is not a single time task. Once it begins it will reach its destination. Upto that, so much of process has

including in it. The process includes.

1. The Communicator: Communication commences with the communicator. He is the sender of the message. He realises the need for conveying something to someone else. A communicator or the sender is the source of communication. He has a purpose of communicating some information to one or more persons.

2. Encoding: Encoding means putting message into code. A message is initiated by encoding a thought. The communicator encodes the information to be transmitted. It is done by translating into a series of symbols or gestures. Encoding is essential because information can be conveyed only through presentations or symbols. The sender of the message and the receiver should speak the same thing. That is, the sender should establish mutuality of meaning with the receiver. Coded messages may be oral or written words or gestures.

3. The Message: A message is the output of encoding process. It is the physical form of the encoded message. The message may be in any form-oral, written or gesture. But it must be unambiguously understood by the receiver. Speech may be heard. Written words may be read. Gestures may be seen or felt. Message must be clear and precise.

4. The Medium: The communicator can communicate the message through a medium. The medium is the carrier of communication. The Communication channel is the mode of transmission. Air is the medium for oral message. The medium is inseparable from the message. It links the sender with the receiver. The message may be conveyed through a memorandum, letter, a telegram, the telephone, a computer or T.V. but the channel or the medium must be appropriate for the message. At times, multiple media are used for effective communication. A telephone talk may be confirmed by a letter, later. Since the choices of channels are many, the proper choice of the channel is vital for effective communication.

5. Decoding: Decoding refers to the finding of the meaning of something conveyed in code. It is the process by which the receiver interprets the message. It means transition the message that is significant and meaningful to the receiver. The recipient has to be ready for the message. Then only the message can be decoded into thought. In decoding, the receiver

converts the message into thoughts. Decoding is affected by several factors such as the recipient's knowledge, past experience, personal interpretations of the symbols and gestures used, expectations and mutuality of meaning. Thus, decoding is very important for understanding the message.

6. The Receiver: Communication requires at least a couple of people, the sender and the receivers. One "encode" and the other "decodes" the message. It will be complete only when the receiver perceives the message intact. The receiver must decode the message without distortion. If the message does not reach a receiver, communication cannot be said to have taken place.

7. Feed Back: Feed Back refers to the reaction of the receiver. It is a reversal of the communication process. Feedback enables the communicator to know whether his message is received and interpreted correctly or not. Further, Feedback enables the communicator to know the reaction of the receiver so that future communication can be modified if necessary. The importance of Feedback is incalculable. It helps to check the effectiveness of communication. It makes communication a two-way process.

8. Noise: "Noise" is the enemy of Feedback. It refers to any factors that interfere with communication. Interference may occur in all the above stages of the communication process. It hinders or blocks communication.

23. What are the important techniques in communication.

We spend a great deal of our time in communication. No one can afford to waste time by including in unnecessary communication. It is often very difficult to determine which communication is necessary and which is not necessary. Again it is difficult to determine the extent of information to be passed on. The method of presentation is also to be decided - narrative, statistical or graphical form. The following are some of the techniques of communication.

Verbal or Oral Communication: In this method of communication the two parties exchange their ideas or the message with the help of word mouth. The message, instruction, order, directive etc, is conveyed through spoken words. Examples of verbal communications are telephone talk, oral orders, face to face talks, lectures, counselling etc. Some of the advantages of verbal communication are as follows:

\* It saves time and money: no other device is so short, simple and quick.

Because of the face to face contact or personal touch, it is effective.

Oral communication is easily understood. Even when there are doubts they can be cleared on spot.

The effect of the communication or response to the communication can be easily measured. Suitable changes can also be done immediately.

During periods of emergency, oral communication is the best method. However, oral communication is not suitable in the following cases.

When the communicator and the receipt are far off (beyond the telephone range) oral communication will not serve the purpose.

If the message to be transmitted is lengthy and requires a thorough clarification, oral communication will not be suitable.

Oral Communication does not serve as a record or as evidence. It cannot be made use of, in future.

There are chances of misunderstanding and mis-interpreting the communication.

2. Written communication: A written communication is conveyed through a letter, report, circular, notes, memorandum notice and communique. It is a very common form of communication in most of the organisations and is suitable for many situations.

3. Formal and informal organizational communication: The formal organisation chart describes the formal lines of authority, power, responsibility and accountability of the organizational members. All these relationships involve communication. For instance, the delegation of authority involves the flow of information from a superior to his subordinate. Formal communications are in black and white.

On the other hand, informal communication is free from all the formalities of formal communication. Informal communication is based on the informal relationship among the organisation members. It is conveyed by a simple gesture, glance, nod, smile or mere silence. For instance, when the worker approaches the manager and informs about the completion of

the job entrusted to him, and if the manager simply nods his head or gives an approving smile, then it amounts to informal communication.

Communications are classified as downward, upward or horizontal. Communication is said to be downward when it flows from the top to the bottom, it is upward when it flows from the subordinates to the top management. It is horizontal when it flows between individuals at the same level (e.g. between two departmental or section heads). All these three kinds of communication may be either oral or written. The classical theorists emphasised downward communication. Downward communications are used by the superiors to convey their orders and directions to their subordinates. Horizontal communication is used to speed up and to improve the understanding of information. It improves the quality of understanding also.

24. What are the different barriers of communication?

The process of communications is not always smooth. It is obstructed by many obstacles or hindrances. These are referred to as barriers of communication. It refers to those factors, which cause disturbance either in the mind of the communicator or the communicatee in the process, which will create distortion of the message, leading to lack of response, ignoring or misunderstanding. The important barriers to effective communication are:

1. Ineffective Expression: The first and the most common barrier in the process of communication is bad expression. This means that the message suffers from omissions, uncertainty, inaccuracies, verbosity, repetitions, lack of clarity and precision.

2. Inaccurate Translation: Decisions are generally conveyed from the top to the lower level. The superiors are known for their specialized knowledge. They generally draft (write) message in a technical language, which may not be clearly understood by those who have to implement the decisions. Even if they are able to understand, they may not be able to convey it further down the line in simple words. In many such cases, it becomes necessary to translate the subject matter or the message into a simple language.

3. Inattention: This barrier is generally arises in the case of Oral communication. For example, a superior is giving a message to

the subordinate and while listening to the message on the telephone, the subordinate is busy reading a magazine or looking though the window or his mind is occupied with some personal problem. Superiors have to face this problem of inattention quite frequently.

4. Loss in Transmission: It is the another barrier of communication which arises in oral communication. When communication is being conveyed from the higher to the lower level step by step, much of it, is likely to be lost in transit. At every level the superior will interpret the message in his own way and present it accordingly. Written communications too are subject to loose transmission. It is no wonder that enterprises often operate in a cloud of ignorance.

5. Vague and unclarified assumptions : the object of a communication is to distinctly tell the communicatee what is desired of him. If the message is not clear in meaning, assumption are not clear to personnel, the communication will lose its purpose.

6. Inadequate adjustment period: Certain messages affect a large number of people in their personal life. For example, a notice is issued informing change in the timings of the shift in a factory. This requires for the workers to make an adjustment. Similarly communications regarding changes in the rules about Bonus, over time should allow an adjustment period. Sufficient time should be allowed to the employees to adjust their schedule or get themselves mentally prepare.

7. Distrust: It means any doubt arises in communication, even reversing the original message. It is due to ill-conceived adjustment, improper technology etc. Repeated experience of this type will damage employee's interest in the communication.

8. Fear: A subordinate is not sure if the information conveyed by him to the superior will be useful or not. For that fearing he request another subordinate to transmit the information the information on his behalf.

25. State the steps involved i the establishment of controls. What are the requirements of an adequate control system? (or) "Control makes the events to confirm to plans" Discuss (or) What is meaning of "Controlling" and discuss its importance in organisation Business.

Achievement of objectives shows the success of the business. In case the objectives are not achieved, objectives and plans need are vision. An evaluation is necessary and therein comes the controlling process. Control is one the most important elements of management. The exercise is the primary responsibility of every manager. Controlling ensures that work is properly implemented. So that it is a part of managerial process.

In management literature, the word "Control" has a special meaning. It means setting standards, measuring actual performance, and taking corrective action. It is more than more evaluation, appraisal or correction. It measures performance against goals and plans, indicates where difference exist and helps accomplishment of objectives. IN general, control means setting standards, measuring performance and correcting actions with a view to achieve results. According to Harold Koontz, "Controlling is the measurement and correction of performance in order to make sure that enterprise objectives and the plans devised to attain them are accomplished". According to E.F. L Breach, "Control is checking current performance against predetermined standards contained in the plans, with a view to ensuring adequate progress and satisfactory performance.

From all these definitions it is very easy to identify that the relationship between planning and controlling. In planning of an organization's activities, the fundamental goals and objectives and the methods for obtaining them are established. Controlling is not possible without objectives and plans as control is intended to achieve and accomplish objectives. That is why planning and controlling are often described as "Siamese" twins of management.

### **Characterstics of controlling:**

1. Control is a continuous process: Control is a never-ending activity on the part of managers. This includes continuous analysis goals, establishments of standards, measurement of performance, remedial action with the help of organisational policies and procedures.

2. Control is a management function: Control as a management function implies. measurement of accomplishment of events against the standard of plans and to correct the deviations in order to attain the objectives according to plan". In fact, this is follow up action towards other management functions. The utility

of this function is such that it is performed by all levels of management in the business unit to keep a close control of all aspects of business, which are assigned to them.

3. Control is Exercised at all levels: The word "Control" exists and works at each and every level of management even though its nature and extent may be different at different levels. IN the case of top management it implies exercising the administrative control which is based on certain plans and policies for the common objectives. In the same way the middle level of management. Finally the lower level management is responsible to keep a control on the operations that are involved in actual performance.

4. Control is forward looking: Another characteristic feature of control is that it always looks forward it is related to the future, as a manager has no control on the happenings in the past. They can only correct future action for further oprations of work. It is the past experience of control, which guides a manager to improve his action for the attainment of common objectives of the organisation.

#### **Objectives of control:**

The main objectives of control is to ensure a high degree of efficiency of the business. This very objective helps the manager to attain the goals of the organiatio in a systematic and effective way. The following are the objectives of control.

to ensure high efficiency of the business.

To understand what had happened or is happening, why and by whom it happens.

To ensure affective and proper communication between the management and workers at all levels to achieve the objectives of the organisation.

To keep a proper check and control over direct and indirect expenses.

To reform organisational goals, policies and objectives.

To find out the various deviations from the planned and proposed targets and to take necessary connective action.

To make sure that all the activities are performed according to the pre-determined plans.

#### **Importance of control:**

Control is the most important aspect of a Manager's function. The significant of control in an organisation can be judged with all the aspects of the following.

1. Insurance value of control: Control eliminates the risk of nonconformity of actual performance with the main goals of the organisation. Control is the function, which regulates the operation to ensure the attainment of the set objectives. Regular measurement of work in progress with proper adjustment in operations puts the performance on the right track and helps in the attainment of goals.

2. Basis for future action: Control provides the information and facts to the management for planning and organising when the work is completed and the result is evaluated. In fact, evaluation of results helps the management to re-plan for non-repetitive operations and rewarding, punishing and disciplining the workers. It would be better to say that long term planning for future is not possible unless and until control information is available in time of the manages for the operations of the work.

3. Facility of coordination: Control plays a very important role in co-ordinating the business activities and workers. It binds all the workers and other activities and motivates them to move towards the common objectives through co-ordination control will play the role of a middleman between the workers and management to provide the required information in time to the workers.

4. Simplifies supervision: The systematic control helps in finding out the deviation existing in the organisation which simplifies the task of the supervisor in managing his sub-ordinates. So through control it becomes easy for th supervisor to supervise and guide the workers to follow the fight rack and fulfil the required goals.

5. Extension of decentralisation: Control system helps the top management to extend the frontiers of decentralisation without the loss of control. When proper procedures, policies, methods, targets etc are clearly communicated to the sub-ordinates, they develop self-confidence and need not always refer to their supervisors with the problems. Thus senior management people will not waste their time for such problems and would rather

utilise their time and energy for further planning and organisational work.

With all that it is without this controlling function there is no meaning for proper functioning of the organisation. So, that it is the main important duty of a Management to achieve the objectives of the organization.

26. Discuss about the basic steps in the control processing.

The work (or) task which has been completed for a result orientation, firstly it must be categorised into some stages and then apply the different process for each stage. Then only the final objectives are achieved. Like that, here in controlling function also it must be processed under the following ways:

1. Establishment of standards: Standards serve as a basis for measuring performance. They may be expressed in quantitative or qualitative terms. A standard is a criterion against which results can be measured. In quantitative terms they are expressed in numbers which are to be produced, by workers. In terms of money they refer to the cost of production, cost of distribution per unit etc. It is the duty of the planner to set the standards and communicate clearly to those from whom the results are expected so that they do not face any difficulty in achieving the goals. For example, the quantity of any liquids measured in liters and cloth will be measured in centimeters are like that.

2. Measurement of performance: The second important element in the process of control is the measurement of the actual performance. Measurement of actual performance does not mean, knowing what has happened but also what is likely to happen. It means that deviations are predicted in advance. Which help the management to take corrective action in advance for the achievement of goals. As such, it is desirable to measure performance as soon as the operations are completed. Not only this, it can also be measured while the activity is in progress, so that appraisal would be possible in time.

Measurement of performance can be done by personal observation, as in the case of the subordinates being observed while they are engaged in work and by a study of various summaries of figures, reports, charts and statements, if the control system is well organised, quick comparison of these

figures with the standard figures is quite possible. One important point to be considered before introducing a control system is whether measurement and comparison are to be done at various stages in the total process or at the end. If the purpose of control is to catch trouble while it is forming then this should be done at various strategic points before the end of the process.

3. Comparison of actual performance with standards: The actual performance can be easily compared if the standards are properly determined and methods are clearly communicated. The manager should concentrate on those main deviations, which are noticed while making the appraisal. But he should not waste his time and energy on small deviations. This approach will give the correct, quick and favourable results. At the same time, simple and effective action also avoids uneconomic watching, wastage of time and attention.

4. Finding out deviations: While comparing the actual and standard performance, it is wiser to find out the extent, nature and the basic causes for deviations (differences). A competent manager does not find any difficulty in locating the deviation points while measuring the actual performance properly. To find out the cause of deviations he will have to depend on proper, accurate and timely information. A manager after getting the information from various departments would conveniently tell whether errors have occurred in the operation or project designing and from them he can easily find out the causes of deviations and the workers who are responsible for such errors.

5. Correction of deviations: The last but not the least element in the process of control is correction of deviations. For the correction of deviations, management should take necessary action and implement them so that in future these errors and deviations are minimized. Correction involves improvement in technology, direction, supervision, setting new goals, restricting the organisation and revision of targets set in advance. If corrective action is not taken properly in time against the major deviations, then it will lead to heavy losses.

Organizational culture: The effectiveness and efficiency of an organisation is continuously influenced by organisation culture, because it affects the management functions. Organisation culture represents a common perception shared by organisational members. It pertains to the values and beliefs of employees and

the general patterns of their behaviour. Corporate culture is essential to study since it converts some important assumptions and norms, governing values, attitudes and goals of the members of an organisation. It also tells employees how to do things and in what fashion in their.

According to Edgar Schien "Organisation culture is the general pattern of behaviour, shares beliefs and values that members have in common". The effectiveness of organisation culture is influenced by Autonomy, Equality security and opportunity etc.

27. What is meant by coordination? How it is achieved? (or) Coordination is key for the success of organization" Explain (or) Coordination transcends all managerial functions. Discuss

Coordination is the process of pulling all the parts of the organisation together, so that decisions, tasks, activities and functions of all its employees and their groups contribute their optimum toward the achievement of its predetermined goals of the organisation. According to Henry Fayol "Coordination is pulling together all the activities of an enterprises to make possible its working as well as its success" He defines a well-coordinated enterprise has the following characteristics.

- 1) Each department works in harmony with other departments.
- 2) Each department division and sub-division knows the share it must assume of the common task and
- 3) Each department and sub-division adjusts its working schedule to circumstances.

According to Tead, coordination is "the effort to assure a smooth interplay of the functions and forces of all the different parts of an organisation to the end that its purpose will be realized with a minimum of friction and maximum of collaborative effectiveness". the definition of coordination is rather too comprehensive as it include within its cope informal groups as well, which are also a part of the organisation. Hiamann and Scott define coordination as "the conscious process of assembling and synchronizing differentiated activities so that they function harmoniously in the attainment of organizational objectives" and McFarland delines coordination "it is the process of developing the required patterns of group effort and securing unity of action for the accomplishment of common goals". Both

these definitions do not take into account voluntary parts of organisation is of a voluntary nature. McFarland's concept of coordination suffers from a further shortcoming, as it focuses only on vertical coordination achieved by a manager among the activities of his subordinates. He ignores horizontal and diagonal coordination of activities and efforts.

Coordination may be defines as the process of integrating, the organizationally required activities for securing unity of action in the pursuit of common goals. According to this concept, the object of coordination are only those activities which are required to be performed by the organizational blueprint. Other activities of employees and their informal groups such as taking tea, exchanging grapes, etc. are not object of managerial coordination. Secondly, coordination may be achieved by deliberate managerial action including policies, procedures, supervision etc. or voluntarily among employees and their groups. Third need for coordination arises because of the need for cooperative effort. There will be no need of coordination in a one-man enterprise where a single individual performs all his business activities.

Fourth, aim of coordination is to achieve unity of action so that all the required activities of employees and their groups are harmonized and synchronized for the accomplishment of predetermined goals. Finally, predetermined goals should be commonly accepted by all those involved in the performance of the required activities.

Nature of coordination:

Nature of coordination can be understood by focusing on its following dimensions:

- 1) Coordination transcends all managerial functions.
- 2) Coordination and cooperation and
- 3) Voluntary coordination.

1) Coordination transcends all managerial functions: Coordination transcends all the managerial functions. It is integral to Planning, Organising, Staffing, Controlling and Directing. It the first principle of organization, because it expresses the principles of organization in a wider aspect, nothing less.

Management function of planning is an integrating process. By setting organisational objectivities, it provides the reason as



well as direction of coordination. For instance, planning for increasing the market share lays down blueprint of coordination for the activities of research and development industrial engineering, production, quality control, inventory management, marketing and sales personnel

Organizing is the process of breaking down the activities into smallest possible components to take advantage of division of labour and specialization, and then recombining the activity components or tasks into jobs, and departments, and other formal groups.

Directing is in fact an integrating function. Leadership and supervision are aimed at ensuring that all the employees coordinate their activities with one another. Communication provides the mechanism for coordination.

Control ensures that required coordination has been achieved through various stages of work performance. It is the process involving the determination of performance standards, measurement of performance against standard, comparison between the two, identification and analysis of deviations, and corrective action for improving performance so as to match it with standards.

Thus, coordination subsides all managerial functions. It is only through purposeful coordination among various parts or subsystems of an organisation that its objectives are accomplished efficiently and effectively.

2. Co-ordination and co-operation: Organisations achieve their objectives through cooperative group effort. According to hare - 'members of cooperative groups show more positive response to each other, are more favourable in their perceptions, are more involved in the task, and have greater satisfaction with the task'.

3. Voluntary coordination: Much of coordination in organised activity takes place through voluntary effect. It is neither necessary nor possible to lay down plans of coordination of myriad of activities of all the employees.

**NEED FOR COORDINATION:** Need for coordination arises out of the size and complexity of organisations. As an organisation grows in size, it becomes increasingly differentiated along vertical as well as horizontal dimensions. Levels are added along vertical dimensions because of the limitations of span of management.

Horizontal growth takes place because of functional differentiation. This growth in organisational size of its various parts into a unified whole. These and other major factors which give rise to the need for coordination are:

1) Division of labour: It involves breaking down organisational tasks into smallest possible components in order to take the benefits of specialization.

2) Vertical differentiation: It takes place in organisations due to limitations of management. As the organisation grows in size and more and more people are engaged in the performance of organizational tasks, it results into the creation of more and more levels.

3) Functional Differentiation: Organisational tasks and functions are grouped into departments divisions, sections, etc, in accordance with the principle of unity of direction. The activities performed by these functional groups should be coordinated so that all groups pull simultaneously in the direction of organisational goals.

4) Line and staff functions: The need for coordinating the staff-line functions can hardly be overemphasized. This gives rise to need for developing an effective coordinating mechanism.

5) Allocation of limited resources: An organisation must allocate its scarce resources like capital funds, materials, manpower etc. in the most effective manner. This often leads to competition for resources by various groups, and gives rise to allocation of them in the organization.

6) Individual Differences: Need for coordination also arises out of the differences among employees. They differ in their attitudes, patterns of motivations, willingness to cooperate and coordinate with others, and need for autonomy. Some employees are willing to coordinate their activities with other, while others need the use of authority and close supervision. In order to get them coordinate their work with their Superiors, Peers and subordinates. The manager will need to adjust his coordinative strategy to individual differences.

Thus, the need for coordination may be emphasized here that coordination is the function and responsibility of every manager. It can't be delegated to subordinates, and it can be entrusted to a specialized staff unit.

**Types of Coordination:** Coordination may be distinguished as Vertical, Horizontal and Diagonal. vertical coordination refers to integration of activities of employees working in Superior-Subordinate relationships. Horizontal coordination takes place among peers working in the same or different departments. Diagonal coordination refers to integration of activities among employees working at different levels of hierarchy and in different department.

**Methods of Coordination:**

Coordination in organisations is formal as well as voluntary. Achieving of coordination are:

- 1) Authority
- 2) Objectives, Policies, Rules, Procedures and methods.
- 3) Committees and conferences
- 4) Communication
- 5) Voluntary coordination
- 6) Reward system
- 7) Bargaining
- 8) Project management

Relative effectiveness of these methods of coordination depends on the task and enforcement. Generally, the methods of coordination are more effective than personal supervision and use of formal authority.

29. Discuss the natures of conflict in organisation (or) Why conflicts arise? How do you resolve them?

The term conflict may mean different things to different persons. It may be regarded as the disagreement or hostility between individuals or groups in the organisation. It may even mean rivalry or competition or may be viewed as the perception of disagreement in the individuals. According to Pondy "Conflict has been defined as the condition of objective incompatibility between values and goals as the behaviour of deliberately interfering with another's goal achievement, and as emotionally in terms of hostility. Descriptive theorists have explained conflict behaviour in terms of objective conflict of interest, personal styles,

reactions to threats, and conjective distortions".

This situation prevails because conflict is used in different context. Robbins has defined conflict as "Conflict is a process in which an effort is purposefully made by person or unit to block another that results in frustrating the attainment of the other's goals or the furthering of his or her interests".

In the words of Newstrom and Davis have defined - "Conflict is any situation in which two or more parties feel themselves in opposition. It is an interpersonal process that arises from disagreement over the goals or the methods to accomplish those goals".

Features of conflicts:

- 1) Conflict arises because of incompatibility of two or more aspects of an element, it may be goals, interests, methods of working, or any other feature.
- 2) Conflict occurs when an individual is not able to choose among the available courses of action.
- 3) Conflict is a dynamic process as it indicates a series of events, each conflict is made up of series of interlocking conflict episode.
- 4) Conflict must be perceived and expressed by the parties to it. If no one is aware of conflict, it is generally agreed that conflict does not exist even though there may be incompatibility in some respect.
- 5) Conflict is a process. This process progresses through different stages.

There are five stages in conflict episode. These are latent conflict, perceived conflict, felt conflict, manifest conflict, and conflict aftermath.

**Latent conflict:** Each conflict episode begins with latent conflict. This is the stage in which the conflict has not taken a shape, therefore, it is not apparent. It may occur in sub-conscious mind.

**perceived conflict:** Parties to the conflict may perceive about incompatibility of the antecedents of conflict though sometimes this perception may be wrong. Perceived conflict occurs because of the misunderstanding of the parties, caused particularly by

the lack of communication.

**Felt Conflict:** At this stage, parties to the conflict feel that they have some conflict among themselves. Felt conflict differs from perceived conflict. A person may have serious difference with another over some issues. But this may not make him tense or anxious. It is the personalization or internalisation of differences that causes conflict. For example, in consistency in demands from the organisation and individual needs may create internalisation of conflict situation. Similarly, conflict becomes internalised when whole personality of the individual is involved in the relationship.

**Manifest conflict:** This is the stage when two parties of the conflict show a variety of conflictual behaviour such as open aggression, sabotage, apathy, withdrawal, work to rule, etc depending on the issues in the conflict and stand that the parties may take.

**Conflict Aftermath:** At this the stage, attempts are made to resolve the conflict through conflict. Resolution mechanism. Depending in the nature of conflict resolution mechanism, either the conflict may be suppressed or resolved friendly. If the conflict is merely suppressed, the latent conditions of conflict may be aggravated exploded in a more serious form. If the conflict is resolved friendly, a basis for cooperative behaviour is established between the parties.

**Issues involved in conflict:**

Another, issue which helps in understanding the nature of conflict the issue involved in the conflict. Tensions and conflicts may arise because of several factors like economic, social, and psychological. Sometimes these factors may exist in such a way that a person may feel tension and conflict. At other times, the person may perceive these factors incorrectly and the feeling of tension and conflict arises. The diagnosing the issues is a necessary precondition for handling conflict successfully. There are four basic issues which may be involved in a conflict either exclusively or jointly with others. These are facts, goals, methods and values.

**Facts:** Conflicts may occur because of disagreement that the persons have over the definitions of a problem, relevant facts related to the problem, or their authority and power.

**Goals:** Sometimes, there may be disagreement over the goals which two parties want to achieve. The relationship between goals of the parties may be viewed as incompatible with the result that one goal may be achieved at the cost of other.

**Methods:** Even if goals are perceived to be the same, there may be difference over the methods procedures, strategies, tactics etc through which goals may be achieved.

**Values:** There may be differences over the values-ethical standards, considerations for fairness, justice etc. These differences are of more intrinsic nature in persons and may effect the choice of goals or methods of achieving those.

**Resolving conflicts:**

Conflict resolution refers to activities aimed at reducing or ending interpersonal and inter group conflicts. Methods aimed at resolving conflicts may involve.

- 1) The victory of one side and the defeat of the other win-lose methods
- 2) Splitting the differences or compromising lose-lose methods
- 3) The use of problem solving win-win methods

In the win-lose methods, the gain of one party results from the loss of another party. For example, out of two groups contending for a given office space, one gets it and other does not get it. It may result into the creation of feeling of losing in the second group, and it may react by engaging in non-productive behaviour.

The lose-lose methods are typically compromise methods. Both the parties settle down for something which partially satisfies their respective needs. For example, in the above method both parties are agree to share the available office space.

The win-win method is based on the integrative or problem solving approach. It involves both the parties in joint identification of needs of both the parties, an exhaustive search for alternative solutions which will satisfy their respective needs and selection of the best method. In the above example, conflict for office space, both the parties examine their need for it, generate and evaluate alternative solutions and decide that the one may have the use of the use and the another meets its needs by reorganizing its desks and filing cabinets and also by shifting one of the typists to the typing pool.

From the above said resolving methods, the win-win strategy called integrative method, in place of win-lose or lose-lose strategy called distributive method.