

4. Management as a career : “Mr. Saxena has held several managerial positions since joining the bank upon his graduation from college”. This statement implies that management is a career. People who devote their working lives to the process of management progress through a sequence of new activities and, often, new challenges. More than ever before, today’s business environment is fast changing and competitive, posing challenges, opportunities, and rewards for individuals pursuing management as a career.

These different meanings of the term management has been related as follows by John M. Ivancevich -

“People who wish to have a career as a manager must study the discipline of management as a means toward practicing the process of management”.

3.3. FUNCTIONS OF MANAGEMENT

Management process suggests that all the managers in the organization perform certain functions to get the things done by others. However, what are these functions which comprise management process is not quite clear and divergent views have been expressed on this. List of management functions varies from author to author with the number of functions ranging from three to eight.

There is enough disagreement among management writers on the classification of managerial functions. Newman and Summer recognize

only four functions, namely, organizing, planning, leading and controlling. Henri Fayol identifies five functions of management, viz. planning, organizing, commanding, coordinating and controlling. Luther Gulick states seven such functions under the catch word "POSDCORB" which stands for planning, organizing, staffing, directing, coordinating, reporting and budgeting. Warren Haynes and Joseph Massie classify management functions into decision-making, organizing, staffing, planning, controlling, communicating and directing. Koontz and O'Donnell divide these functions into planning organizing, staffing, directing and controlling.

Davis includes planning, organizing and controlling. Breach includes planning, organizing, motivating, coordinating and controlling.

For our purpose, we shall designate the following six as the functions of a manager: planning, organizing, staffing, directing, coordinating and controlling.

Henry Fayol, an early thinker of management process, has classified management functions into planning, organizing, commanding, coordinating and controlling.

Gullick and Urwick have described the functions of management as POSDCORB referring to planning, organizing, staffing, directing, coordinating, reporting and budgeting.

Koontz and O'Donell have included planning, organizing, staffing, leading and controlling.

Earnest Dale has suggested innovation and representing also as important management functions besides these. Thus it can be seen that there is no agreement over the various functions of management. These functions have been treated differently over the period of time.

Ervin Williams has summarized the various managerial functions developed over the period of time.

All the above functions can be categorized into four basic functions of management i.e. planning, organizing, leading and controlling.

3.3.1. Planning

The planning function is the primary activity of management. Planning is the process of establishing goals and a suitable course of action for achieving those goals. Planning implies that managers think through their goals and actions in advance and that their actions are based on some method, plan, or logic rather than on a..... Plans give the organization its

objectives and set up the best procedures for reaching them. The organizing, leading and controlling functions all derived from the planning function.

The first step in the planning is the selection of goals for the organization. Goals are then established for each of the organization's subunits-its division, department and soon. Once these are determined, programs are established for achieving goals in a systematic manner.

The organizational objectives are set by top management in the context of its basic purpose and mission, environmental factors, business forecasts, and available and potential resources. These objectives are both long-range as well as short-range. They are divided into divisional, departmental, sectional and individual objectives or goals. This is followed by the development of strategies and courses of action to be followed at various levels of management and in various segments of the organization. Policies, procedures and rules provide the framework of decision making, and the method and order for the making and implementation of these decisions.

Every manager performs all these planning functions, or contributes to their performance. In some organizations, particularly those which are traditionally managed and the small ones, planning are often not done deliberately and systematically but it is still done. The plans may be in the minds of their managers rather than explicitly and precisely spelt out: they may be fuzzy rather than clear but they are always there. Planning is thus the most basic function of management. It is performed in all kinds of organizations by all managers at all levels of hierarchy.

Relationship and time are central to planning activities. Planning produces a picture of desirable future circumstances - given currently available resources, past experience etc. Planning is done by all managers at every

level of the organization. Through their plans, managers outline what the organization must do to be successful while plans may differ in focus, they are all concerned with achieving organizational goals in the short and long term. Taken as a whole, an organization's plans are the primary tools for preparing for and dealing with changes in the organization's environment.

3.3.2 Organizing

After managers develop objectives and plans to achieve the objectives, they must design and develop an organization that will be able to accomplish the objectives. Thus the purpose of the organizing function is to create a structure of task and authority relationships that serves this purpose.

Organizing is the process of arranging and allocating work, authority, and resources among an organization's members so they can achieve the organization's goals.

Stoner defines "organizing as the process of engaging two or more people in working together in a structured way to achieve a specific goal or set of goals.

The organizing function takes the tasks identified during planning and assigns them to individuals and groups within the organization so that objectives set by planning can be achieved. Organizing, then, can be thought of turning plans into actions. Organizing function can be viewed as a bridge connecting the conceptual idea developed in creating and planning to the specific means for accomplishing these ideas.

The organizing function also provides an organizational structure that enables the organization to function effectively. Managers must match an organization's structure to its goals and resources, a process called

organizational design. Organizing thus involves the following sub-functions:

- (a) Identification of activities required for the achievement of objectives and implementation of plans.
- (b) Grouping the activities so as to create self-contained jobs.
- (c) Assignment of jobs to employees.
- (d) Delegation of authority so as to enable them to perform their jobs and to command the resources needed for their performance.
- (e) Establishment of a network of coordinating relationships.

Organizing process results in a structure of the organization. It comprises organizational positions, accompanying tasks and responsibilities, and a network of roles and authority-responsibility relationships.

Organizing is thus the basic process of combining and integrating human, physical and financial resources in productive interrelationships for the achievement of enterprise objectives. It aims at combining employees and interrelated tasks in an orderly manner so that organizational work is performed in a coordinated manner, and all efforts and activities pull together in the direction of organizational goals.

3.3.3 Staffing

Staffing is a continuous and vital function of management. After the objectives have been determined, strategies, policies, programmes, procedures and rules formulated for their achievement, activities for the implementation of strategies, policies, programmes, etc. identified and grouped into jobs, the next logical step in the management process is to procure suitable personnel for manning the jobs. Since the efficiency and effectiveness of an organization significantly depends on the quality of its

personnel and since it is one of the primary functions of management to achieve qualified and trained people to fill various positions, staffing has been recognized as a distinct function of management. It comprises several sub-functions :

- (a) Manpower planning involving determination of the number and the kind of personnel required.
- (b) Recruitment for attracting adequate number of potential employees to seek jobs in the enterprise.
- (c) Selection of the most suitable persons for the jobs under consideration.
- (d) Placement, induction and orientation.
- (e) Transfers, promotions, termination and layoff.
- (f) Training and development of employees.

As the importance of human factor in organizational effectiveness is being increasingly recognized, staffing is gaining acceptance as a distinct function of management. It need hardly any emphasize that no organization can ever be better than its people, and managers must perform the staffing function with as much concern as any other function.

3.3.4 Directing

Directing is the function of leading the employees to perform efficiently, and contribute their optimum to the achievement of organizational objectives. Jobs assigned to subordinates have to be explained and clarified, they have to be provided guidance in job performance and they are to be motivated to contribute their optimum performance with zeal and enthusiasm. The function of directing thus involves the following sub-functions:

(a) Communication

(b) Motivation

(c) Leadership

Once objectives have been developed and the organizational structure has been designed and staffed, the next step is to begin to move the organization toward the objectives. The directing function serves this purpose. It involves directing, influencing and motivating employees to perform essential tasks.

The best human resources employed will be of house if they are not motivated and directed in the right direction to achieve the organizational goals. Managers lead is an attempt to persuade others to join them in pursuit of the future that emerges from the planning, and organizing steps. By establishing the proper atmosphere, managers help their employees to do their best.

Effective leadership is a highly prized ability in organizations and is a skill that some managers have difficulty in developing. The ability requires both task-oriented capabilities and the ability to communicate, understand and motivate people.

3.3.5 Coordinating

Coordinating is the function of establishing such relationships among various parts of the organization that they all together pull in the direction of organizational objectives. It is thus the process of tying together all the organizational decisions, operations, activities and efforts so as to achieve unity of action for the accomplishment of organizational objectives.

The significance of the coordinating process has been aptly highlighted by Mary Parker Follet. The manager, in her view, should ensure that he has an

organization "with all its parts coordinated, so moving together in their closely knit and adjusting activities, so linking, interlocking and interrelation, that they make a working unit that is not a congeries of separate pieces, but what I have called a functional whole or integrative unity". Coordination, as a management function, involves the following sub-functions :

- (a) Clear definition of authority-responsibility relationships
- (b) Unity of direction
- (c) Unity of command
- (d) Effective communication
- (e) Effective leadership

3.3.6 Controlling

Finally, the manager must be sure that actions of the organizations members do in fact move the organization towards its stated goals. This is the controlling function of management. The controlling is the process of ensuring that actual activities confirm to plan activities. It involves four main elements :-

1. Establishing standards of performance
2. Measuring current performance
3. Comparing this performance to the established standards.
4. Taking correction actions if deviations are detected.

Controlling implies that objectives, goals and standards of performance exist and are known to employees and their superiors. It also implies a flexible and dynamic organization which will permit changes in objectives,

plans, programmes, strategies, policies, organizational design, staffing policies and practices, leadership style, communication system, etc., for it is not uncommon that employees failure to achieve predetermined standards is due to defects or shortcomings in any one or more of the above dimensions of management.

Thus, controlling involves the following process :

- (a) Measurement of performance against predetermined goals.
- (b) Identification of deviations from these goals.
- (c) Corrective action to rectify deviations.

It may be pointed out that although management functions have been discussed in a particular sequence-planning, organizing, staffing, directing, coordinating and controlling – they are not performed in a sequential order. Management is an integral process and it is difficult to put its functions neatly in separate boxes. Management functions tend to coalesce, and it sometimes becomes difficult to separate one from the other. For example, when a production manager is discussing work problems with one of his subordinates, it is difficult to say whether he is guiding, developing or communicating, or doing all these things simultaneously. Moreover, managers often perform more than one function simultaneously.

Through the controlling function, managers keep the organization on track. Without the controlling functions, other functions loose their relevance. If all the activities are properly planned, organized and directed but there is no control on the activities then there are full chances that the organization does not achieve its planned goals. Controlling function helps us knowing the deviations but the reasons for such deviations and the corrective actions is to be taken depends on the managers. Hence, the personal ability of the managers makes the controlling function effective or ineffective.

3.5 SELF ASSESSMENT QUESTIONS

1. "There is no important area of human activity than management since its task is that of getting things done through people". Discuss the statement and explain with examples.
2. "Management starts from planning and ends up with controlling". Discuss this statement, giving suitable examples.
3. What are the functions of a manager? Is mere knowledge of management enough to become successful manager?
4. Discuss the important functions of management which support the philosophy of modern management thinkers.

3.6 FURTHER READINGS

1. Kootnz & O'Donnell, Principles of Management.
2. Peter F. Drucker, Practice of Management
3. J.S. Chandan, Management Concepts and Strategies.
4. Arun Kumar & Rachana Sharma, Principles of Business Management.