



ST. LAWRENCE HIGH SCHOOL



A JESUIT CHRISTIAN MINORITY INSTITUTION

Study Material No. 3

Sub: Business Studies

Class XII

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Topic: Nature and significance of Management

Short Answer Type:

1. Define Management.

Ans: Management can be defined as a process of getting the work or the task done that is required for achieving the goals of an organisation in an efficient and effective manner.

Process implies the functions of the management. That is, planning, organising, staffing, directing and controlling. On the other hand, effective implies completing the given task and work while, efficient means successfully completing the task with minimum possible cost.

Thus, management can be defined as the process of planning, organising, staffing, directing and controlling such that the goals of the organisation are achieved successfully with minimum cost and resources.

2. Name any two important characteristics of management.

Ans: The following are the two characteristics of management.

i. Pervasive: Management is pervasive to all organisations across size, characteristics and region. That is, all organisations whether large or small, working whether for economic, social or political interest and in any region need management. For example, a corporate firm requires management as does a non-profit organisation. Similarly, a hotel needs as much management as a hospital. In addition, management is practiced by organisations in all the countries and regions. The only difference lies in how it is practiced by different organisations in different regions based on their culture and traditions.

ii. Continuous Process– Management is a continuous process. That is, the various functions of management (planning, organising, directing, staffing and controlling) are performed simultaneously by the managers. However, the focus or the priority of the manager may differ from day to day. While on one day, the manager may devote more time towards planning, while on other day more time may be spent on controlling.

3. Why is management considered a multi-faced concept?

Ans: Management is said to be multi-faceted concept as it is a complex process involving not just one but various dimensions. There are three main dimensions of management.

i. Managing the Work: The performance of a definite work forms the basis of an organisation. With management this work is interpreted in terms of the objectives and goals and how they are to be achieved.

ii. Managing the People: As the work is to be done by the people, managing the people is another important dimension of management. It involves dealing with the employees both as an individual and as

groups or teams. With management their strengths are utilised and weakness are worked upon so as to achieve the desired objectives.

iii. Managing the Operations: Every organisation involves a production process where the inputs are transformed into a product or a service. This production process requires continuous management. Thus, we can say that management is a multi-faceted process covering various dimensions simultaneously.

4. Discuss the basic features of management as a profession.

Ans: The following are the basic features according to which management can be viewed as a profession.

i. Systemised Knowledge: Management is based on a systemised and well-defined body of knowledge comprising of principles and theories. This knowledge can be attained through various colleges, institutes and books.

ii. Professional Association: As every profession, management is also affiliated to a professional association that regulates the functions of the members. For example, in India the AIMA (All India Management Association) regulates the functioning of its member managers. However, there is no compulsion for every manager to be member of the association.

iii. Restriction to Entry: Although no specific qualifications or degrees are required to be a manager, however, professional knowledge in terms of management degrees and diplomas are preferred. To some extent, this restricts the entry of people in management as a profession.

iv. Code of Conduct: Every profession follows a particular code of conduct that acts as a guiding principle for the ethical behavior of its members. Through good management, the production takes place in an effective and efficient manner and quality goods and services are provided to the society at a fair price.

5. Ritu is the manager of the northern division of a large corporate house. At what level does she work in the organisation? What are her basic functions?

Ans: Ritu being the manager of the northern division of the organisation is in the middle-level management. She and other managers like her act as a link between the top management and the operational management. Her main task is to oversee the implementation of the plans and policies formulated by the top management by directing and supervising the functions of the lower management.

The following are her basic functions.

- (i)** Interpreting the policies formulated by the top management.
- (ii)** To make sure that each department under her division has the required personnel and staff for carrying out the assigned work.
- (iii)** To assign the necessary duties to the persons working in various departments.
- (iv)** To encourage and motivate the personnel towards achieving the goals.
- (v)** Coordinating with the functions of other division heads.

Debraj Chowdhury