

# Principles of Management

7<sup>th</sup> Edition

This edition of *Principles of Management* is updated to incorporate latest trends in management along with new cases and examples. The title offers comprehensive discussion on all major areas of principles of management and organisational behaviour. Emerging topics, recent examples, side bars, schematic diagrams, and integrated cases are also included for learners and practitioners to stay abreast of the latest happenings in the corporate world.

The book has been designed for students of business management. However, those pursuing allied courses such as BTech, BBA, MCom and BCom also will find it useful.

## Highlights

- New! Chapters on Personality and Perception, and Learning and Attitudes
- New! Sections on Managerial Roles and Skills, and Primacy of Goals and Resources
- New! Chapter Case Studies and Book-end Integrated Cases
- Extended coverage of Organisational Behaviour that includes Individual and Group Behaviour
- Enhanced pedagogy with numerous Box sidenotes in all the chapters
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Principles of Management

# Principles of Management



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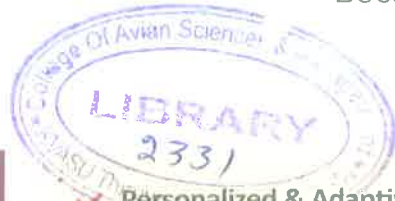
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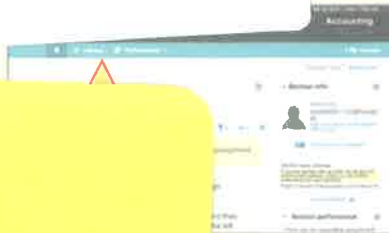


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## About the Authors

P C Tripathi (Late) formerly Professor and Head of the Department of Business Administration, Faculty of Commerce and Management Studies, Sukhadia University, Udaipur, was an outstanding scholar and a prolific writer in the field of management. Dr Tripathi attended two short-term courses of IIM Ahmedabad in "Behavioural Sciences in Personnel Management" (1967) and "General Management Programme for University Teachers" sponsored by the Ministry of Education, Government of India in the year 1974. He had over thirty years' experience of teaching MCom and MBA classes and also guided a number of PhD researchers. He was the Founder Director of the Institute of Management Studies, Rajasthan Vidyapeeth Deemed University, Udaipur. Among his important publications are *Personnel Management and Industrial Relations*, *Human Resource Development* and *A Textbook of Research Methodology in Management and Social Sciences*.

P N Reddy (Late) was Ex-Professor, Chairman and Dean, Department of Commerce and Management, Bangalore University. A PhD from Mysore University, he had more than 35 years of experience in teaching commerce and management subjects and had published 50 research articles in reputed Indian and foreign journals. He also authored 25 books in the areas of commerce and management. He was also Director, KKECS Institute of Management, Bangalore.

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Prof. Bajpai has a rich list of research publications both at the national and international level and has authored two books. He has successfully guided researches in novel areas of Management. He has been a recipient of UGC research projects and has a rewarding industry experience to his credit. Prof. Bajpai is an invited resource person at several academic programmes and is a dedicated trainer. He has successfully conducted mentoring sessions at the training programmes of Indian Oil Corporation, NTPC and Power Grid Corporation. He is actively engaged in industrial consultancy with organisations like BIDA. Prof. Bajpai is on the advisory board and selection panels of organizations and universities of repute.

# Principles of Management

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**Seventh Edition**

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many chapters in one go. These integrative cases help the learner to move out of the contours of an individual chapter and view managerial decision-making on a holistic basis. The organisation of the book is kept with this intent in mind. It aims to make the reader ultimately glide through all the learnings. The chapter, projects, cases and integrative cases are framed in a deliberate sequence to achieve the said purpose.

The book is also accompanied with web chapters for students, which are accessible at [www.mheducation.co.in](http://www.mheducation.co.in). These along with Lecture PPTs are also available for instructors at <https://connect.mheducation.com>. Details about accessing student and instructor resources are given at the back cover of the book.

The intended users of the books are students of B-schools and other academic programmes besides industry professionals who wish to receive a thorough input and content in the subject of Management. Those avid readers who have an inclination towards Management would also stand to gain out of this book.

On a closing note, continued revisiting of the concepts presented in this book is advisable as it would prepare the learner to ably comprehend and handle decision-making situations in times to come.

Critical feedback has always been the basis of quality content. Sincere thanks to the following reviewers for their valuable feedback and insights:

**Pratibha Goyal**

*Punjab Agricultural University, Punjab*

**Aditi Singh**

*Institute of Professional Educational Research, Madhya Pradesh*

**Ashish Bajpai**

## Preface to the First Edition

To the extent that management is a *science*, the principles of management are universal and transcend any particular environment. However, the *art* or practice of management is quite different in different environments. Clearly, there are differences of political, legislative, social, cultural, as well as of economic nature. These differences or variables may act as constraints, limiting the options for the manager and the organisation. These may also provide opportunities. A good manager, therefore, must be sensitive to the environment of the place where he is operating. He must learn to make decisions and to plan, organise and control activity in the environmental perspectives of his own country. The purpose of this text is to provide this perspective to our readers. Books written by foreign authors obviously lack this perspective.

This book presents a unified picture of what management is and how it is applied to various forms of human endeavour in this country. It gives a basic knowledge about managerial functions in the most useful and organised way. An attempt has been made to eliminate the excessive use of management jargon which often affects the readability of books on management. Instead, clear and familiar language has been used to make the subject easily intelligible to the readers.

Although the organisation of the book follows a widely used “management function” approach, chapters have been designed to stand on their own so that teachers can deal with the various topics in whatever order they may choose. Chapters 1 and 2 introduce the field of management and the task of the manager. Chapter 3 gives the background and the major schools of management thought. Chapters 4 and 5 are devoted to planning and decision-making. This is followed by a discussion of two important techniques and aids in planning and decision-making, namely, business forecasting and operations research (Chapter 6). The book then turns to the organising function. Chapter 7 gives an overview of the ways in which work is allocated and organisations are structured. Chapter 8 describes the evolution and growth of informal organisations. In Chapter 9 the ways in which managers exercise authority and delegate duties are described. Chapters 10–16 deal with the role of a manager as a leader first, when employees are recruited and selected, trained and developed (Chapters 10 and 11), when their performance is appraised (Chapter 12) and when they are paid and rewarded (Chapter 13). Chapters 14 and 15 look at the ways in which people are motivated and the modes of communication. A discussion about leadership is given in Chapter 16. Chapter 17 examines the important subject of control. Chapter 18 describes the social responsibilities of a businessman. Chapter 19 discusses the management of public enterprises; this chapter has been included on account of the dominant and growing nature of the public sector in our country and its peculiar managerial, structural and accountability frame.

The material in this book has come from a wide variety of sources. We have drawn freely from the latest findings, formulations and researches in various areas of management and have attempted to present an integrated picture of the classical, behavioural, quantitative and contingency approaches. However, the differences in the underlying values, assumptions and action implications of these approaches have also been specifically pointed out wherever necessary.

Each chapter in this book is accompanied by three study aids, namely, Summary, Review Questions and Bibliography. A summary at the end of each chapter helps students review the material presented in that chapter. It contains key information, concepts and definitions. The review questions help students understand better the contents of the chapter. It also gives them an opportunity to use the management concepts presented in the chapter and to integrate information relating to the topics discussed. A reading list at the end of each chapter will help readers in their quest for higher knowledge in the field.

One of the most pleasant aspects of writing a book is the opportunity to thank those who have contributed to it. We are grateful to many of our colleagues who have contributed directly and indirectly to this text. We are thankful to Dr O.R. Krishnaswami, Professor, Head and Dean of the Commerce and Management Department, Bangalore University, for his encouragement throughout the project. We also express our sincere thanks to all those whose work and ideas have helped us in writing this book.

**P.C. Tripathi**  
**P.N. Reddy**

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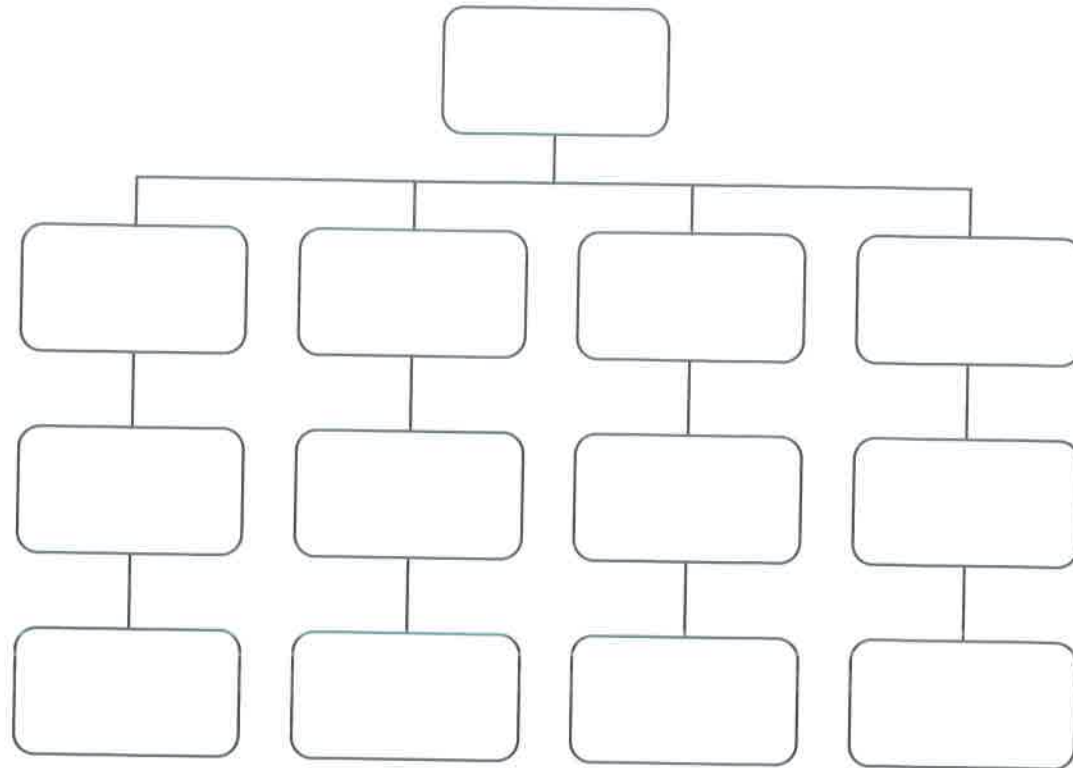
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Proposed Organisation Structure for Book Feathers Ltd.



- (d) Provide two instances where you find that attitude influences the actions of functionaries.
- (e) In which areas can programmed and non-programmed decisions be introduced in Book Feathers Ltd.?

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