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3rd Edition

Management Theory & Practice

WITH CASE STUDIES



Dr. Vandana Jain

PREFACE TO THE FIRST EDITION

I am very proud to bring out the first edition of this book for readers. The book attempts to provide balanced coverage of all the key elements comprising the basics of management, in a style that is informative and interesting. The book will serve the purpose of a companion because it has theoretical principles and case studies to sharpen the analytical and decision making skills. For the convenience of the readers, I have tried to contain the length of main text of the book to around 350 pages.

The book is not solely about theories, but about using theory to better explain the concepts of management. The book has been written in a highly readable style, balancing theory with practical application and offering clarity of presentation. It covers the essential body of knowledge in the area of management, so that it can be used for introductory courses in colleges and universities. The book will also prove useful to a wide variety of readers. It will be understandable to the lay person who has had no formal education in management. It will be helpful to students in various management courses who feel the need for a concise integration of topics covered in other books. It will be particularly helpful to students who need some references to concepts and techniques of analysis to apply in specific situations.

A case study has been added at the end of each chapter to stimulate the students' thought processes regarding real life business situations where some of management principles and practices are applied. The cases are presented in a manner so that reality can be easily visualized.

It is hoped that the book will be a stimulating experience for the readers and will prompt further study in order to secure a more comprehensive knowledge of the field of management. With this end in view, references have been included at the end of each chapter. The readers will find in these books, a more elaborate treatment of the subjects and more extensive bibliographies for further study.

I gratefully acknowledge the guidance provided by Dr. G S Tuteja, Deputy Dean-Student Welfare, Delhi University, who gave a face to my dream of writing a book on management. I am very thankful to Mr. Vikram Behl, Regional Manager, Delhi Branch, IBH and Mr. Sanjeev Gupta, Director, IBH, I am also thankful for the constant support of my husband and daughter in this endeavour. I would also like to express my gratitude towards my teachers and management authors, but for the knowledge imparted by whom, I would not have been able to pen down this book.

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CONTENTS

Chapter 1 : NATURE OF MANAGEMENT

Introduction	1
Definitions of Management	2
Approaches to Management	4
Nature of Management	5
Management as Science	5
Management as an Art	5
Management as a Profession	6
Professionalization of Management in India	7
Features of Management	8
Significance of Management	10
Scope of Management	11
Levels of Management	11
Types of Management Skills	13
Competent Managerial Personnel	14
Administration & Management	16
Social Responsibilities of Management	17
Why Social Responsibilities of Business	19
Rationale for Social Responsibility	20
Social Audit	21
Ethics & Values	21
Case Study	24
Precis	26
Objective Type Questions	27
Self Test Questions	28
Examination Type Questions	28
Suggested Readings	28

Chapter 2	DEVELOPMENT OF MANAGEMENT THOUGHTS	29
	Introduction	29
	Approaches to Management	29
	Bureaucratic Model	31
	Scientific Management	32
	Process Management Theory	36
	Human Relations Theory	37
	Behavioural Sciences Theory	78
	The Decision Theory	39
	Systems Approach	40
	Contingency Theory	42
	The McKinsey's 7s Framework	42
	Contribution of Public Administrators	46
	Contribution of Business Executives	47
	The Management Theory Jungle	47
	Principles of Management	47
	Case Studies	52
	Precis	54
	Objective Type Questions	55
	Self Test Questions	55
	Exam Type Questions	56
	Suggested Readings	56
Chapter 3	PROCESS OF MANAGEMENT	57
	Meaning of Management Process	57
	Management Process Approach	57
	Features of Management Process	58
	Management Functions	60
	Functional Areas of Management	62
	Coordination—The Essence of Managership	63
	Integration	64
	Innovations and the Manager	64
	Roles of a Manager	65
	Case Studies	68

	Precis	69
	Objective Type Questions	70
	Self Test Questions	71
	Exam Type Questions	71
	Suggested Readings	71
Chapter 4	PLANNING	73
	Concept of Planning	73
	Nature of Planning	74
	Types of Planning	75
	Types of Plans	77
	Purposes or Missions	78
	Objectives	78
	Features of Objectives	78
	Management by Objectives	80
	The MBO Process	81
	Strategies	84
	SWOT Analysis	85
	Portfolio Matrix	88
	Policies	90
	Procedures	92
	Rules	93
	Methods	94
	Standards	94
	Programmes	94
	Projects	95
	Budgets	95
	Steps in Planning	96
	Elements of Planning	98
	Approaches to Planning	98
	The Planning Period	98
	Planning Premises	99
	Principles of Planning	101
	Importance of Planning	102

	Limitations of Planning	Precis	103
	Forecasting	Objective Type Questions	105
	Steps in Forecasting	Self Test Questions	107
	Techniques of Forecasting	Exam Type Questions	107
	Decision making	Suggested Readings	109
	Types of Decisions	PLANNING	109
	Decision Criteria	Concept of Planning	110
	Approaches to Decision making	Nature of Planning	111
	Creativity in Decision making	Types of Planning	112
	Bounded Rationality	Types of Plans	116
	Techniques of Decision Making	Purposes or Missions	117
	Principles of Decision Making	Objectives	118
	The Decision Making Process	Features of Objectives	119
	Hierarchy of Decisions	Management by Objectives	121
	Case Studies	The MBO Process	123
	Precis	Strategies	125
	Objective Type Questions	SWOT Analysis	127
	Self Test Questions	Portfolio Matrix	127
	Exam Type Questions	Policies	128
	Suggested Readings	Procedures	128
Chapter 5	ORGANISING	Rules	129
	Introduction	Methods	129
	Organization as a Structure and a Process	Standards	129
	Purpose and Causes of Organising	Programmes	131
	Principles of Organisation Structure	Projects	132
	Developing an Organisation Structure	Budgets	134
	Classical Theory of Organisation	Steps in Planning	135
	The Neo Classical Approach	Elements of Planning	136
	The Decision Making Approach	Approaches to Planning	136
	The Systems Approach	The Planning Period	137
	The Contingency Approach	Planning Premises	138
	Span of Management	Principles of Planning	139
	Factors affecting Span of Management	Importance of Planning	140

	Wide v/s Narrow Span	Problems Associated with Informal Organisation	141
	Authority	Growth in Organisation	143
	Sources of Authority	Case Studies	146
	Limits of Authority	Precis	147
	Authority- Power Continuum	Objective Type Questions	149
	Sources of Power	Self Test Questions	150
	Delegation of authority	Exam Type Questions	150
	Process of Delegation	Suggested Readings	151
	Principles of Delegation	STAFFING	152
	Barriers to Delegation	Introduction	153
	Centralization and Decentralization	Meaning of Personnel Management	155
	Advantages of Decentralization	Functions of Personnel Management	156
	Advantages of Centralization	Staffing	156
	Factors Determining Decentralization	Process of Staffing	157
	Effective Decentralization	Manpower Planning	158
	Delegation and Decentralization	Recruitment	159
	Departmentation	Selection	160
	Principles of Departmentation	Placement	160
	Bases of Departmentation	Induction	162
	Organization Charts and Manuals	Training and Development	167
	Types of Organisation Structure	Types of Training and Management Development	169
	Formal Organisation	Promotion	169
	Features of Formal Organisation	Transfers	169
	Line Organisation	Performance Appraisal	170
	Functional Organisation	Methods of Appraisal	172
	Line and Staff Organisation	Case Studies	173
	Types of Staff	Precis	175
	Line and Staff Conflict	Objective Type Questions	175
	Resolving Line- Staff Conflict	Self Test Questions	176
	Project Organisation	Exam Type Questions	177
	Matrix Organisation	Suggested Readings	178
	Networking Organisation	COMMITTEE MANAGEMENT	180
	Informal Organisation	Definition of Committees	181
		Types of Committees	182

	Problems Associated with Informal Organisation	184
	Growth in Organisation	186
	Case Studies	188
	Precis	189
	Objective Type Questions	191
	Self Test Questions	191
	Exam Type Questions	192
	Suggested Readings	192
Chapter 6	STAFFING	193
	Introduction	193
	Meaning of Personnel Management	193
	Functions of Personnel Management	194
	Staffing	195
	Process of Staffing	197
	Manpower Planning	197
	Recruitment	199
	Selection	200
	Placement	202
	Induction	203
	Training and Development	203
	Types of Training and Management Development Programs	203
	Promotion	208
	Transfers	209
	Performance Appraisal	210
	Methods of Appraisal	210
	Case Studies	214
	Precis	215
	Objective Type Questions	216
	Self Test Questions	217
	Exam Type Questions	217
	Suggested Readings	217
Chapter 7	COMMITTEE IN MANAGEMENT	219
	Definition of Committees	219
	Types of Committees	219

	Advantages of Committee	200
	Disadvantages of Committee	222
	Coordination	224
	Concept of Coordination	224
	Nature of Coordination	225
	Objectives of Coordination	225
	Coordination and Cooperation	226
	Need for Coordination	226
	Types of Coordination	227
	Principles of Coordination	230
	Techniques of Effective Coordination	231
	Problems of Coordination	232
	Systems Approach to Coordination	232
	Case Studies	233
	Precis	234
	Objective Type Questions	235
	Self Test Questions	235
	Exam Type Questions	236
	Suggested Readings	236
Chapter 8	MANAGEMENT OF CHANGE AND ORGANISATION DEVELOPMENT	237
	MANAGEMENT OF CHANGE	237
	Introduction	237
	Change—Internal & External	238
	Types of Change	239
	Concept of Planned Change	240
	Techniques for Change	241
	Force Field Model	241
	Lewin's Three Step Model	243
	Change through Action Research	243
	Ladder of Change	244
	Resistance of Change	244
	Management of Change	245
	The Change Process	246

ORGANIZATION DEVELOPMENT

Definition of O.D. 247
Elements of O.D. 248
Characteristics of O.D. 249
Basic O.D. Assumptions 249
Goals of Change Aspects in O.D. 251
Stages in O.D. Efforts 251
O.D. Interventions 252
O.D., Management Development and Operations Research 253
Limitations of O.D. Program 254
Case Studies 255
Precis 256
Objective Type Questions 257
Self Test Questions 257
Exam Type Questions 258
Suggested Readings 258

Chapter 9 DIRECTING AND COMMUNICATION

DIRECTING

Concept of Directing 259
Elements of Directing 259
Features of Directing 260
Advantages of Directing 261
Principles of Directing 262
Means of Direction 263
Direction and Supervision 264
Approaches to Direction 266
Models for Directing 267

COMMUNICATION

Definition & Nature of Communication 268
Importance of Communication 270
Purpose of Communication 270
The Communication Process 271
Principles of Communication 273

Chapter 10 MOTIVATION AND MORALE

MOTIVATION

Nature of Motivation 297
Types of Motivation 297
Motivators 298
Significance of Motivation 299
Economic Theory of Motivation 300
Maslow's Need Hierarchy Theory 301
Douglas McGregor's Theory 303
Herzberg's Two Factor Theory 304
Alderfer's ERG Theory 306
McClelland's Needs Theory 308
Theory Z 310

Communication Skills 373
Channels of Communication 274
Informal Channel 276
Making effective use of Grapevine 278
Communication Networks 279
Media of Communication 280
Levels of communication 282
Communication Barriers 283
Towards Effective Communication 285
Union Role in Communication 286
Communication and Transactional Analysis 286
Types of Communication Transactions 288
Life Positions 289
Use of TA in Organisation 290
Case Studies 291
Precis 293
Objective Type Questions 294
Self Test Questions 295
Exam Type Questions 295
Suggested Readings 295

Chapter 11 LEADERSHIP

Introduction 297
Concept of Leadership 297
Leadership and Management 297
Leadership Styles 298
Charismatic Theory 300
Trait Theory 301
Behavioural Theory 303
Managerial Grid Approach 304
Likert's System 1-4 Approach 306
Situational Theories 308
Incultured Leadership Attributes 310
Functions of Leadership 311
Principles of Leadership 312

373	Vroom's Expectancy Theory	313
374	Equity Theory	315
376	Porter and Lauter's Expectancy Model	315
378	Contingency Model of Motivation	316
379	Reward Systems	317
380	Sound Motivation System	317
382	MORALE	318
383	Concept of Morale	318
384	Motivation and Morale	319
386	Morale and Productivity	319
388	Factors determining Morale	320
388	Building Morale	321
389	Measuring Morale	321
390	Case Studies	323
391	Precis	325
393	Objective Type Questions	326
394	Self Test Questions	326
395	Exam Type Questions	327
395	Suggested Readings	327
397	Chapter 11 LEADERSHIP	329
397	Introduction	329
397	Concept of Leadership	329
397	Leadership and Management	330
398	Leadership Styles	332
399	Charismatic Theory	335
399	Trait Theory	335
399	Behavioural Theory	336
399	Managerial Grid Approach	337
398	Likert's System 1-4 Approach	338
398	Situational Theories	340
399	Inculcated Leadership Attributes	342
399	Functions of Leadership	343
399	Principles of Leadership	344

381	Case Studies	345
382	Precis	350
382	Objective Type Questions	349
382	Self Test Questions	349
382	Exam Type Questions	350
382	Suggested Readings	350
382	Chapter 12 CONTROL AND ITS PROCESS	351
382	Meaning and Nature of Control	351
382	Focus of Control	354
382	Features of Critical Points	335
382	Levels of Control	335
382	Process of Control	355
382	Essentials of Effective Control System	357
382	Management by Exception	360
382	Importance of Control	360
382	Limitations of Control	360
382	Principles of Control	361
382	Types of Control	361
382	Budgets	264
382	Types of Budgets	364
382	Advantages of Budgeting	367
382	Shortcomings of Budgeting	367
382	Overcoming Limitations of Budgeting	368
382	Reporting	370
382	Standard Costing	371
382	Break-even Analysis	371
382	Internal Audit	373
382	Statistical Data	373
382	Personal Observation	373
382	Techniques of Control of Overall Performance	373
382	Network Analysis	376
382	Total Quality Management	373
382	Management Audit	376

Management Information System	381
Economic Value Added	382
Market Value Added	382
Case Studies	383
Precis	384
Objective Type Questions	385
Self Test Questions	386
Exam Type Questions	386
Suggested Readings	386
Chapter 13 : MODERN MANAGEMENT THINKERS & MODERN MANAGEMENT CONCEPTS AND CHALLENGES	387
Introduction	387
Contribution of Peter F. Drucker	387
Contribution of Michael Porter	389
Contribution of Peter Senge	391
Contribution of C.K. Prahalad	392
Contribution of Michael Hammer- BPR Guru	393
Modern Management Concepts and Challenges	395
Knowledge Management	395
Learning Organization	398
Management of Diversity	400
Dynamics of Group Behaviour	401
Management of Conflict	407
Employee Empowerment	411
Corporate Governance	413
Precis	415
Objective Type Questions	416
Self Test Questions	416
Exam Type Questions	417
Suggested Readings	417

1 CHAPTER

NATURE OF MANAGEMENT

McDonald's is an example of success and fast growth. It has created a unique place in the pages of history of business. Consistently high quality of food is the hallmark of the MNC. It shows that for any enterprise to succeed, a good management team is highly essential. The main pillars of McDonald's success are well trained management team, family oriented concept, high quality food and clean surroundings.

INTRODUCTION

The very word 'Management' brings to our mind a big enterprise where large number of people work towards the attainment of economic objective.

But actually it is not so. Management is confined neither to group efforts, nor to attainment of economic objectives. It begins with individuals and extends upto conglomerates taking into its arena: multifaceted, multidimensional objectives including social, political, emotional etc.

Management is as old as human civilization, though it came into limelight only with industrialization and F. W. Taylor's experiment. Peter F Drucker gave management, the status of a profession by laying down various new philosophies.

If we go by the dictionary meaning of the word management, it is the process or instance of managing or doing. The Concise Oxford Dictionary defines the word 'manage' as organize, regulate, be in charge of (a business, household, team, a person's career).

This means that every individual is a manager. If we go back to the Stone Age, we will find that even at that time also, in order to survive, early man had to manipulate the environment, which was irrelevant to his existence. Every individual tries to make the best use of resources at his/her disposal. In other words, every individual manages his resources to the best of his efforts in order to get the maximum benefit. Take the example of a housewife. Although she does not have a formal knowledge of management, but unconsciously she plans her activities in order to put various resources viz money, material, time etc. to the best use so that at the end of the month she is able to save the maximum without compromising on the quality of results.

ABOUT THE BOOK

The book, *Management Theory & Practice* (with case studies), exhaustively covers the concepts, functions and principles of management. In addition to these basic fundamentals, the book also deals with some topics which a Manager should be aware of. These are morale, organizational development, transactional analysis, to name a few. The book has been written in a simple and easily understandable language. The unique feature of the book is the inclusion of summary, self test questions, short answer questions and long answer questions at the end of each chapter to help the student in various stages of the study. To make the text more comprehensible, diagrams, charts & tables have also been incorporated. This is a must-read book for undergraduate and postgraduate students of Business Administration/ Management.

ABOUT THE AUTHOR

The author, **Dr. Vandana Jain**, did her Ph.D. from CCS University, Meerut and MBA with specialization in HR Management from Kurukshetra University, Kurukshetra. She had a brilliant academic career since beginning which brought her many accolades including scholarships and certificates of merit. Just to get herself abreast of the emerging Capital Markets, she did a Diploma Course in Merchant Banking from Indian Institute of Merchant Banking, New Delhi. As part of professional enhancement, she also did a certificate course in Financial Markets from NSE.

She has held various assignments including, Lecturer in Faculty of Management Studies, Kurukshetra University; Senior Research Associate with Indian Society for Training & Development (ISTD); Education Officer, Directorate of Studies in the Institute of Company Secretaries of India (ICSI); Resource faculty for study material in Indian Institute of Merchant Banking (IIMB); Visiting faculty in Northern India Regional Council of ICSI.

Presently, she is working as an Asstt. Professor in a private institution affiliated to Punjab Technical University and is teaching MBA and BBA students.

Her experience of interacting with her students and understanding of the problems faced by them motivated her to write a book on this topic and she has tried her best to provide solutions to their practical problems.



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