**Principles of Management**

**Management:**

“Efficient & effective use of resources to accomplish the tasks with and through the people is called as Management.” or

“The act of getting people together to accomplish desired goals and [objectives](http://en.wikipedia.org/wiki/Objective_%28goal%29) using available resources efficiently and effectively.”

**Functions of Management:**

For theoretical purposes, it may be convenient to separate the function of management but practically these functions are overlapping in nature i.e. they are highly inseparable. Each function blends into the other & each affects the performance of others.

[Planning](http://www.managementstudyguide.com/planning_function.htm)

It is the basic function of management. It deals with chalking out a future course of action & deciding in advance the most appropriate course of actions for achievement of pre-determined goals.in simple words, it is goal setting. According to KOONTZ, “Planning is deciding in advance - what to do, when to do, where to do, why to do & how to do? It bridges the gap from where we are & where we want to be”. A plan is a future course of actions. It is an exercise in problem solving & decision making. Planning is determination of courses of action to achieve desired goals. Thus, planning is a systematic thinking about ways & means for accomplishment of pre-determined goals. There are following four steps of planning:-

* **Formulation of Mission or Vision**: What do you want to achieve is called mission and where do you see yourself after achieving the mission is called vision.
* **Goal Setting**: Goal is a dream with a deadline. A mission consists of a number of goals.
* **Making Strategies and Plan**: Plan is detailed and comprehensive form of strategy and strategy is a road map to achieve the goal. Strategy is a methodology through which we can complete the plans.
* **To Establish the Performance Standard**: It includes cost, speed means time and quality. It is called standard of product.

**FLOW CHART**

**Vision**

**Mission**

**Goal**

**Strategy**

**Plan**

[Organizing](http://www.managementstudyguide.com/organizing_function.htm)

It is the process of bringing together physical, financial and human resources and developing productive relationship amongst them for achievement of organizational goals. According to Henry Fayol, “To organize a business is to provide it with everything useful or its functioning i.e. raw material, tools, capital and personnel’s”. To organize a business involves determining & providing human and non-human resources to the organizational structure. Organizing as a process involves:

* + Identification of activities.
	+ Classification of grouping of activities.
	+ Staffing
	+ Division of work..
	+ Delegation of authority and creation of responsibility.

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. The main purpose of staffing is to put right man on right job i.e. Staffing involves:

* + [Manpower Planning](http://www.managementstudyguide.com/manpower-planning.htm) (estimating man power in terms of searching, choose the person and giving the right place).
	+ Recruitment, selection & placement.
	+ Training & development.
	+ Remuneration.
	+ Performance appraisal.
	+ Promotions & transfer.

[Directing](http://www.managementstudyguide.com/directing_function.htm)

It is that part of managerial function which execute the organizational methods to work efficiently for achievement of organizational purposes. It is considered life-spark of the enterprise which sets it in motion the action of people because planning, organizing and staffing are the mere preparations for doing the work. Direction is that inert-personnel aspect of management which deals directly with influencing, guiding, supervising, motivating sub-ordinate for the achievement of organizational goals. Direction has following elements:

* + Supervision
	+ Motivation
	+ Leadership
	+ Communication

**Supervision-** implies overseeing the work of subordinates by their superiors. It is the act of watching & directing work & workers.

**Motivation-** means inspiring, stimulating or encouraging the sub-ordinates with zeal to work. Positive, negative, monetary, non-monetary incentives may be used for this purpose.

**Leadership-** may be defined as a process by which manager guides and influences the work of subordinates in desired direction.

**Communications-** is the process of passing information, experience, opinion etc from one person to another. It is a bridge of understanding.

[Controlling](http://www.managementstudyguide.com/controlling_function.htm)

It implies measurement of accomplishment against the standards and correction of deviation if any to ensure achievement of organizational goals. The purpose of controlling is to ensure that everything occurs in conformities with the standards.”According to Koontz & O’Donell “Controlling is the measurement & correction of performance activities of subordinates in order to make sure that the enterprise objectives and plans desired to obtain them as being accomplished”. Therefore controlling has following steps:

1. Measurement of actual performance.
2. Comparison of actual performance with the standards and finding out deviation if any.
3. Corrective action.