performance of activities of subordinates in order to make sure that enterprise objectives and plans devised to attain them are being accomplished". Thus, controlling involves the following sub-functions:

a. Determination of standards for measuring work performance,
b. Measurement of actual performance,
c. Comparing actual performance with standards,
d. Finding variances between the two and reasons for variances.

Control can be implemented before an activity commences, while the activity is going on and after the activity is completed. Accordingly, controls can be of three types:

1. **Feed-Forward Control:** Feed-forward control, as the name suggests, is taken before an activity commences so that the anticipated problems are prevented. Thus, it is future directed. For example, a company may hire additional manpower as soon as the company is sanctioned some new project.
2. **Concurrent Control:** Concurrent control takes place when an activity is in progress. Direct supervision of activity is the commonly used form of concurrent control enacted while work is going on.
3. **Feedback Control:** Control implemented after the work is over is called feedback control. The major drawback of this type of control is that by the time the information is available, the damage is already caused.

2.4.5 Coordination

Some authorities consider coordination to be a separate function of the manager. It seems more accurate, however, to regard it as the essence of managership, for achieving harmony among individual efforts toward the accomplishment of group goals. Each of the managerial functions is an exercise contributing to coordination. It is the central task of the manager to reconcile differences in approach, timing, effort, or interest and to harmonize individual goals to contribute to organization goals.

A modern enterprise consists of a number of departments such as production, purchase, sales, finance, personnel, etc., and there is need for the management to see that all the departments function in such a way that they move harmoniously towards the realization of the stated objectives of the enterprise. This function of management i.e. the harmonious blending of the activities of the different specialists and also of the different departments for the achievement of desired goals is called desired co-ordination.

Features or Characteristics of Coordination: The above discussion indicates that co-ordination has certain characteristics. They are:

1. Co-ordination is the orderly arrangement of group efforts.
2. It provides unity of action in pursuit of a common purpose. Unity of action is considered to be the heart of the co-ordination process.
3. It aims at achieving the common purpose of the enterprise through the orderly synchronization of the efforts of the sub-ordinates.
4. It is a process whereby an executive develops an orderly pattern of group efforts for accomplishing the common objectives of the enterprise.
5. The task of co-ordination is a managerial responsibility; co-ordination can be made effective only if an executive makes conscious efforts.
6. It is a continuous process.



CHECK YOUR PROGRESS

Q1: Define Planning.

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Q2. State two importance of planning.

.....

2.5 LEVELS OF MANAGEMENT AND MANAGERIAL SKILLS

The term “levels of Management” can be explained as a dividing line for the various managerial positions.

Management jobs are different from other jobs. It involves the obligation to make prudent use of human and material resources. It requires sound judgment to handle complex situations. Further, the nature of the job becomes increasingly complex at each higher level because of the increase in the scope of authority and responsibility. Therefore, each higher level requires increased knowledge, broader perspective and greater skills.

For purpose of analysis, skills required of any manager are classified under three different heads– technical, human (employee relations skill) and conceptual skill as shown in figure 2.2. The exhibit helps in understanding the levels of management responsibilities, the principal skill requirements, and the extent to which each kind of skill is required at each level.

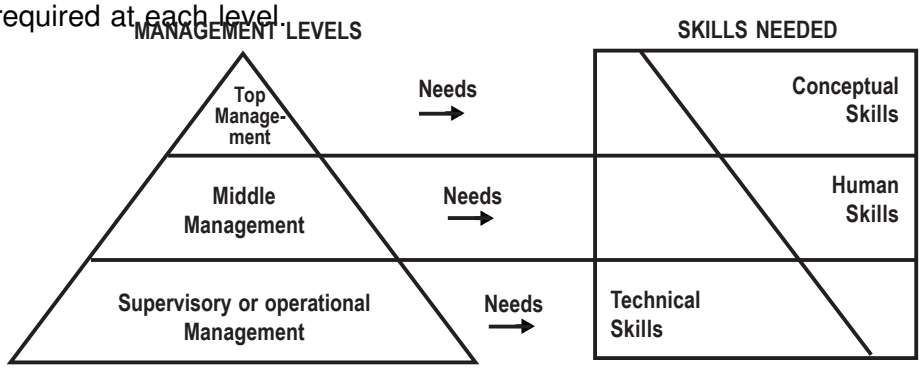


Fig. 2.2: Management skills at different levels of Management

1. **Technical Skills:** Technical skills refer to the ability to use the tools, equipments, procedures, techniques and knowledge of a specialized field, the activity to use specific knowledge, methods, and techniques in performing work. It is primarily concerned with the ways of doing the things. It implies proficiency in a specific field of activity. Technical skills are most important for the lower level managers, because by nature their job involves supervision of the workers.

Effective supervision and coordination of the work of the subordinates, therefore, depends on the technical skill possessed by the lower level managers, any supervisor without a sound knowledge of the job cannot make an effective supervision. The relative importance of the technical skills as compared to the other skills diminishes one move up to higher level of management. Thus, the President of an oil company does not need to know much of the technical details of drilling for oil or how to refine it.

2. **Human Skills:** The human skill is the ability to understand, motivate and get along with other people. This skill is essential at every level of management within the organization, but is particularly important at middle levels of management where the manager has frequent contact with operating personnel.

   Human skills are primarily concerned with persons, as contrasted with "things". When a man is highly skilled in employee relations, he is aware of attitudes, assumptions and beliefs and recognizes their limitations as well as their usefulness. He accepts, as an important fact of life, the existence of viewpoints and feelings, different from his own. Thus, human skill refers to that ability of the manager to work effectively as a group member and to build cooperative effort in the team he leads. It is the ability to work with, understand and motivate people. He understands why people behave as they do and is able to make his own behaviour understandable to them. He can foresee their reactions to possible courses of actions and, is able to take their attitudes into account. His skill in working with others is natural and continuous. He does not apply it in random or in inconsistent fashion. It is a natural ingredient of his every action.

3. **Conceptual Skills:** Conceptual skills are the mental ability to coordinate and integrate the organization's interest and activities. It refers to the ability to see the "big picture".

   The conceptual skill also called design and problem-solving skill and is essential at top level of management. It involves the ability–

   - To see the organization and the various components of it as a whole;

- To understand how its various parts and functions look together; and
- To foresee how changes in any one of these may affect all the others.

Conceptual skills extend to visualizing the relation of the organization to industry, to the community and to the political, economic and social forces of the nation as a whole and even to forces, which operates beyond the national boundaries. It is the creative force within the organization. A high degree of conceptual skill helps in analyzing the environment and in identifying the opportunities and threats.

The three types of skills discussed so far are not mutually exclusive. In other words, management job always requires all the three skills but in different proportion depending upon the level of management – there is a gradual shift in the emphasis from the bottom to the top of the pyramid. Technical skills and human skill are always in great demand at the lower level of management for it is there the productive processes and operations are carried out. It is there where you find most of the people. It is there where the action takes place. The need for conceptual skill is greatest at the top level of management. Obviously, the top managers are not often involved in the direct application of specific methods, procedures and techniques, compared to those at the lower ***echelons*** of management.



CHECK YOUR PROGRESS

Q.3 : Name the three levels of management.

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Q.4 : State the managerial skills

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2.6 INDIAN MANAGEMENT STYLE AND TRADITION

If there can be British style in management, American style or Japanese style, then why not an Indian style of management. Or to be more specific: is there any Indian style of management?

When looked in a larger perspective, the traditional Rajasthani carpenters, Gujarati women's skill at handicraft, the wood-carvers of Karnataka show remarkable excellence in their work and production. The Moradabad brassware workers are exporting their products though they do not know the modern concepts like QC, TQM, and ISO-9000. Then how are they doing this, Lijjat Papard, run by Indian women, or the Udupi Hotels, are other examples. In management, production, motivation, services, etc., they are showing their excellence. Unfortunately, in industry or management we do not give much importance to these examples in our textbooks. And thus we miss the salient features of Indian style of management.

We will rarely find an MBA in the above cases. We call this Indian ethos, as the true spirit of indigenous management techniques which is expressed in the above cases- by the Indian supervisors and workers. There is excellence in India, and it is better to recognize this hard fact.

We noticed this excellence, searched for indigenous style of management, and then incorporated the concepts of Vedanta and Yoga to give this a shape. Side by side we experimented with this technique in modern industries, both public and private sector companies, got the feedback, evaluated, and thus a model evolved, the system was perfected.

We call this, Indian ethos in management because; first we learnt this method from the common Indian workers- farmers, carpenters, grocers, artisans, and above all Indian women. And secondly, the Vedantic concepts and Yoga practices were incorporated.

This technique – Indian ethos in management – was applied and discussed in many companies, and the result was very encouraging. More and more management consultants and teachers are joining this movement and more and more companies are showing keen interest in this.

Because of its spirituality, long term and Holistic vision, Indian thought has made a tremendous contribution to the world over thousand of years, today, for some reasons India is no longer in the fore-front and the people seem to have lost pride in being Indians, forgetting the history of India as a land of wealth, prosperity and spirituality, to which have flocked people from all over the world, to share in its glory.



2.7 LET US SUM UP

In this unit we have learnt about different functions of management-planning, organizing, staffing, control and coordination.

Planning is concerned with the determination of objectives to be achieved and the action to be taken to achieve them. Organizing involves bringing together the manpower and material resources for the achievement of objectives. Staffing involves manning the organizational structure through proper selection, appraisal and development of personnel to fit the roles designed into the structure. Directing is concerned with actuating the members of the organization to work efficiently for attaining the organizational goals. Controlling is concerned with seeing whether the activities have been or being performed in conformity with the plans.

A manager has to perform managerial functions irrespective of the position in which he is placed. But the mix of management functions which are to be performed by a manager would depend on the organizational level, viz, top, middle or lower level, at which he is working.

There are signs that business is moving towards a unified, global theory of management. The practice of management and global competitiveness is driven by the new technology. Visionary managers are needed to provide direction to the increasingly multi-cultural workforce that responds quickly to the customers that demand low-cost quality products and services.



2.8 FURTHER READING

1) Drucker, Peter F. (2014), *Practice of Management*, Allied Publications, New Delhi.

2) Koontz, Harold and Weihrich, Heinz (2007), *Essentials of Management*, Tata McGraw Hills, New Delhi.

3) Rao, V. S. P. and Hari Krishna, V. (2005), *Management : Text and Cases*, Excel Books, New Delhi.

4) Robbins, Stephen P., Judge, Timothy A. and Vohra N.(2016), *Organizational Behavior*, Prentice Hall, Delhi.

2.9 ANSWERS TO CHECK YOUR PROGRESS

Ans. to Q. No. 1: Planning is deciding in the present for what is to be done in future.

Ans. to Q. No. 2 : Importance of planning are:
i. Provides direction, ii. Reduces uncertainities

Ans. to Q. No. 3 : 1) Top level management
2) Middle level management
3) Lower (supervisory or operational) level Management

Ans. to Q. No. 4 : 1) Technical skill
2) Human skill
3) Conceptual skill



2.10 MODEL QUESTIONS

Q.1 : What is management? Distinguish between management and administration.

Q.2 : Give an outline of management thought during the 20th century.

Q.3 : What is scientific management? Explain its basic elements.

Q.4 : Give the 14 principles of management propagated by Henry Fayol.

Q.5 : Write short notes on (i) Human Relation Management (ii) Modern Management.

Q.6 : Define the concept of planning. Discuss the process of planning.

Q.7 : What is coordination? Explain the various principles of coordination.

Q.8 : What does controlling mean. Explain in details the various steps in controlling process.

Q.9 : Explain the principles of organization.

Q.10 : Discuss the various indicators to suggest that business is moving towards a unified, global theory of management.

Q.11 : What is Indian ethos in management

Q.12 : Discuss the proper managerial skills necessary at various levels of management.

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UNIT 3 : PLANNING

UNIT STRUCTURE

3.1 Learning Objectives

3.2 Introduction

3.3 Concept of Business Forecasting

3.4 Relationship between Planning and Forecasting

3.5 Methods of Forecasting

3.6 Meaning and Features of Planning

3.7 Importance of Planning

3.8 Types of Plans

3.9 Steps in Planning Process

3.10 Limitations of Planning

3.11 Terms Used In Planning Process

3.12 Let Us Sum Up

3.13 Further Reading

3.14 Answers To Check Your Progress

3.15 Model Questions

3.1 LEARNING OBJECTIVES

After going through this unit you will be able to:

- explain the concept of business forecasting
- discuss the advantages and limitations of business forecasting
- discuss the different methods of forecasting
- discuss the meaning and features of planning
- explain the importance of planning in a business organisation
- describe the different types of plans
- discuss the steps involved in planning process
- analyse the limitations of planning
- discuss the different terms used in the planning process