



VISIONARY COMMERCE ACADEMY

Subject : OCM

Chapter 2 : Functions of Management

PLANNING



What? Mission
When? Vision
How? Objectives

Meaning

Planning is the **basic** function of management

Every function of management is **based on planning.**

It includes **deciding the things to be done in advance.**

Planning is an **intellectual process of logical thinking** and **rational decision making.**

It focuses on **organization's objectives** and develops various courses of action.

In short, planning is a detailed programme of future courses of action

Definitions:

Koontz and O'Donnell: "Planning is deciding in advance **what to do, how to do it, when to do it, and who is to do it.** Planning bridges the gap from **where we are and where we want to go** it makes possible things to occur which would not otherwise occur."

Organising

2. Organizing

Organizing is associated with effective utilization of the resources like



For achieving the objectives of the organization.

Meaning

Organizing is the **process of identifying, bringing the required resources together** such as **men, money, material, machine and method, grouping and arranging them properly** for achieving the objectives.

Organizing is concerned with **grouping and assigning the organizational activities** among **different departments and workforce.**

Definitions:

Mooney and Railey: "Organization is the form of every human association for the attainment of a common purpose."

STAFFING



Hiring & Promotion



Training & Development



Remuneration/Salary



Performance Appraisal

Staffing is the **function of execution** according to **plan and organizational structure.** It is the process of **attracting, recruiting, selecting, placing, appraising, remunerating, developing and retaining the best workforce.** Overall **growth and success of every venture** is based on **appropriateness of staffing function.**

staffing function **plays very important role in organization.** **Right person at right job with right pay is the basic principle of staffing.**

Definitions:

Theo Haimann: "The staffing function pertains to the recruitment, selection, development, training and compensation of subordinate managers."

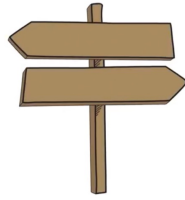
DIRECTING



Supervise



Motivate



Guide



Directing is the **soul of management function**. It is the process of **instructing, guiding, communicating, inspiring, motivating and supervising** the employees to **achieve predetermined goals of an organization**.

Direction is a **continuous function** initiated at **top level and flows to the lower level through organizational hierarchy**.

Director is the person who shows the **correct path as well as guides the employees in solving the problems wherever necessary**. A few philosophers called direction as "**Life Spark of an Enterprise**".

Definitions:

Theo Haimann: "Direction consists of the process and techniques utilizing in issuing instructions and making certain that operations are carried out as planned."

5. Coordinating

This function is called the coordinating function.

It ensures the unity of action among -



To achieve the organizational goal, all department must operate in an integrated manner.



Prevents conflict and overlapping



Unity of the action remains unchanged

Coordination is orderly **arrangement of group efforts to provide unity of action in the pursuit of common goal**.

It is an **integration of different activities** which is essential for **their smooth flow**. It establishes **harmony among all the activities of an organization in achieving desired goal**. In an organization, a number of persons are working together to achieve a common goal.

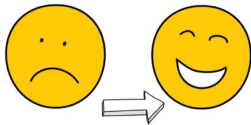
Definitions:

Henry Fayol: "To co-ordinate is to harmonise all the activities of a concern to facilitate its working and its success."

CONTROLLING



Performance vs Target



Corrective Actions

Controlling function is required in **all types of organizations whether profit making or non-profit making**. Similarly, it is **performed at all levels** i.e. top, middle and lower levels of management. Controlling is indispensable function of management.

Controlling is a function of **comparing the actual performance with the predetermined standard performance**. It **measures deviation**, if any, identifies the causes of deviation and **suggests corrective measures**. The process of controlling helps in **formulation of future plans also**.

Definitions:

Philip Kotler: "Control is the process of taking steps to bring actual results and desired results closer together."

Explain the Importance of management / Planning / Organising / Staffing / Directing / Coordinating / Controlling.

- 1) **Innovation** : _____ Facilitates innovation in the organisation. Nowadays, it is essential to generate new ideas, new products, new technology, etc .Innovation helps to face competition in today's competitive business world.
- 2) **Corporate image** : _____ enable the organisation to enhance corporate image. This is because _____ helps to provide good quality of goods and services to the customers. Therefore, proper _____ is required to develop good corporate image or goodwill of the organisation.
- 3) **Team work** : _____ develops team spirit in the organisation. It is the team work that brings success to the organisation. There is a need for team work between the various people and departments working in the same organisation. Team work is important to bring success in the organisation.
- 4) **Optimum use of resources** : _____ facilitates optimum use of resources in the organisation. There is efficient use of various resources such as men, money, material, etc. Optimum use of resources brings good result to the organisation.
- 5) **Motivation** : _____ enable to motivate of the employees in the organisation. Motivated employees work with application and dedication. The dedication on the part of motivated work force brings higher efficiency in the organisation. Therefore, proper _____ is required to generates Motivation in the employs
- 6) **Higher Efficiency:** _____ is required to generate higher efficiency in the organisation. Efficiency is the relation between returns and costs.The more the returns at the same costs or at lower cost, then the organisation is said to be more efficient.
- 7) **Better Relation** : _____ to develop good relations in the organisation. There should be good relation between various people and departments working in the same organisation. Good relation generate teamwork, and bring success to the organisation.
- 8) **Reduction in Wastages** : _____ ensures reduction of wastages in the organisation. Nowadays, reduction in wastages is vital to any organisation. Reduction in wastage is generates higher productivity in the organisation.
- 9) **Result oriented** : _____ Place emphasis on result. The activity of the manager are focused on the attainment of goal or result.

Hint : if ask Importance of planning in the question paper
(You will write Planning in every blank)

if ask Importance of Organising in the question paper
(You will write Organising in every blank)

