MANAGEMENT CONCEPTS AND ORGANISATIONAL BEHAVIOUR

Course Code: BMB 101 | MBA Semester 1 | AKTU

UNIT I — Fundamentals of Management, Planning & Decision-Making

Contact Hours: 8 Hrs | Topics: Management: Past to Present | Levels & Skills | Managerial Functions | Planning Process & Types | MBO | Decision-Making Types, Process & Techniques

Short Notes Creator | @shortnotescreator | YouTube | Instagram | Telegram

Key References:

Koontz, H. & Weihrich, H. — Essentials of Management (McGraw Hill, 10th Edition)

Robbins, S.P. & Coulter, M. — Management (Pearson, 14th Edition)

Drucker, P.F. — The Practice of Management (Harper Business, 1954)

Stoner, J.A.F., Freeman, R.E. & Gilbert, D.R. — Management (Pearson, 6th Edition)

Simon, H.A. — Administrative Behavior (Free Press, 4th Edition)

■ 1. Fundamentals of Management

Management is the process of planning, organising, staffing, directing and controlling organisational resources — human, financial, physical and informational — to achieve stated objectives efficiently and effectively.

Peter Drucker described management's core task as: "the responsibility for the performance of an institution." Efficiency means doing things right (minimum resource use); effectiveness means doing the right things (achieving goals).

1.1 Management Practices: Past to Present

Era	Key Contribution	Associated Thinker(s)
Pre-Industrial (Ancient)	Informal management in armies, church, guilds	—
Classical / Scientific (1900s)	Time-motion study, one best way of working	F.W. Taylor
Administrative Theory (1916)	14 Principles of Management, universal functions	Henri Fayol
Bureaucratic Theory	Rules, hierarchy, impersonality for large organisations	Max Weber
Human Relations (1930s)	Hawthorne studies — social & psychological factors matter	Elton Mayo
Behavioural Science (1950s+)	Motivation, leadership, individual behaviour at work	Maslow, McGregor
Modern / Contemporary	Systems approach, contingency approach, digital &	Drucker, Mintzberg

Era	Key Contribution	Associated Thinker(s)
	agile management	

> 📌 **Key Concept**
> • Fayol gave the **functions** of management (universal); Taylor gave **scientific method** for shop-floor efficiency — a frequently confused pair in exams
> • Hawthorne Studies (Elton Mayo, 1924–32 at Western Electric) proved that attention/social factors, not just physical conditions, raise productivity — the 'Hawthorne Effect'

1.2 Levels of Management

Organisations are typically structured into three levels, each with a distinct mix of managerial skill requirements and time-horizon of decisions.

Level	Positions	Primary Focus
Top Management	CEO, MD, Board of Directors, President	Long-term strategy, policy formulation, overall direction
Middle Management	Divisional/Departmental Heads, Branch Managers	Translating strategy into departmental plans, coordination
Lower/Supervisory Management	Foremen, Supervisors, Section Officers	Day-to-day execution, direct supervision of operatives

1.3 Managerial Skills (Robert Katz)

- **Conceptual Skills** — ability to see the organisation as a whole and its relation to environment; most needed at **top level**
- **Human/Interpersonal Skills** — ability to work with, motivate and lead people; needed **equally at all levels**
- **Technical Skills** — job-specific knowledge and proficiency with tools/techniques; most needed at **lower level**

> 💡 ***Example***
> A production supervisor (lower level) relies heavily on **technical skill** to fix a machine fault, while the CEO (top level) relies on **conceptual skill** to decide whether to enter a new export market — both need human skill to lead their respective teams.

1.4 Managerial Functions

Henri Fayol's five functions — remembered by the acronym **POCCC** — remain the classical basis for describing what managers do; modern texts (Koontz & Weihrich) condense these into five widely-taught functions:

- **Planning** — deciding objectives and the course of action to achieve them
- **Organising** — arranging resources and tasks into a structure of roles
- **Staffing** — recruiting, selecting, training and placing people in roles