

Construction Management

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Introduction to Management & Aspects of Management in Construction Industry



DEFINITION OF MANAGEMENT AND ITS IMPORTANCE

MANAGEMENT IS THE PROCESS OF GETTING WORK DONE EFFICIENTLY AND EFFECTIVELY WITH AND THROUGH OTHER PEOPLE.

MANAGEMENT ACTIVITY MAINLY INCLUDES PLANING, ORGANIZING, DIRECTING, CONTROLLING, MOTIVATING, COORDINATING AND DECISION MAKING.

The Definition of Management

by [Mark Shead](#)

If you look up the dictionary **definition of management**, among many examples you will find clues as to the real definition of management.

Management” (from Old French management “the art of conducting, directing”, from Latin Manu agree “to lead by the hand”) characterizes the process of leading and directing all or part of an organization, often a business, through the deployment and manipulation of resources (human, financial, material, intellectual or intangible). ...

This definition of management focus on management as the process of accomplishing work through the efforts of others. Skilled managers can accomplish much more through others than they can through their own single efforts. Effective utilization and coordination of resources such as capital, plant, materials, and labor to achieve defined objectives with maximum efficiency.

It is getting there by choosing the best possible path.

1. The process of getting activities completed efficiently with and through other people;
2. The process of setting and achieving goals through the execution of five basic management functions: **planning, organizing, staffing, directing, and controlling**; that utilize human, financial, and material resources.

Once again,

The definition of management addresses accomplishing work through other people.

This definition stresses the activities that are necessary for reaching particular goals.

The process of achieving the objectives of the business organization by bringing together human, physical, and financial resources in an optimum combination and making the best decision for the organization while taking into consideration its operating environment.

PLANS OF MANAGEMENT

First, management establishes a plan.

This plan becomes the road map for what work is going to be done.

Second,

The management allocates resources to implement the plan.

Third,

The management measures the results to see how the end product compares with what was originally envisioned.

(Most management failings can be attributed to insufficient effort occurring in one of these three areas.)

CONCEPT OF MANAGEMENT

- **Team Work**
 - A great emphasis is placed on teamwork throughout our organization. Task force teams are created and given responsibility for various functions aiming to meet the customer's requirements and the technical specifications.
- **Quality System**
 - Total quality management is our pledge throughout our organization in operations and management. The latest quality control and assurance system and the specialized training our staff undertake allows us to meet both the international quality system standards and the high standards set by our customers.
- **Flexibility**
 - During business discussions and production planning we aim to be as flexible as possible. Our customer relations team Endeavour to meet any special requests made by customers and aim to respond quickly and effectively.
- **Pro-active**
 - We aim for a pro-active approach to maintain a high level of customer satisfaction. Our Customer Service Team continually liaise with customers. Contacts whether formal or informal present the opportunity to receive the customer ideas and suggestions.
- **Planning**
 - The key to a successful operation is in good planning. Careful plans are made and discussed before any action is taken. A complete schedule is drawn up identifying action items, an action timeline and the parties responsible for the various stages of implementation.

LEVELS OF MANAGEMENT

LEVELS OF MNGMT





Top managers

- Set objectives
- Scan environment
- Plan and make decisions

Middle managers

- Report to top management
- Oversee first-line managers
- Develop and implement activities
- Allocate resources

First-line managers

- Report to middle managers
- Supervise employees
- Coordinate activities
- Are involved in day-to-day operations

TOP LEVEL MNGT

TOP LEVEL MNGT CONSISTS OF

BOARD OF DIRECTORS
CHIEF EXECUTIVE (CEO'S)
MANAGING DIRECTORS
GENERAL MANAGERS
OWNERS
SHARE HOLDERS / FINANCIERS

FUNCTIONS OF TOP LEVEL MNGT

ESTABLISHING BASIC GOALS AND OBJECTIVES
ESTABLISHING POLICIES AND MONITORING FRAMEWORK
DESIGNING / REDESIGNING ORGNIZATION SYSTEM
GROWTH, EXPANSION, DIVERSIFICATION, DIVERSMENT
OF ACTIVITIES / PLANS.

MIDDLE LEVEL MNGT

MIDDLE LEVEL MNGT CONSISTS OF

BRANCH MANAGERS
SUPERINTENDENTS
ASSISTANT MANAGERS
GENERAL FOREMENS

FUNCTIONS OF MIDDLE LEVEL MNGT

TO COORDINATE AND COOPERATE EFFORTS FOR SMOOTH RUNNING
OF BUSINESS
EMPLOYEES DEVELOPMENT THROUGH TRAINING
TO ACHIEVE COORDINATION BETWEEN DIFFERENT PARTS OF ORGZN
TO DEVELOP EFFECTIVE TEAM AND SPIRIT



LOWER LEVEL MNGT

LOWER LEVEL MANAGEMENT CONSISTS OF

FOREMEN
SUPERVISORS OR INCHRGES
OFFICE SUPRENTENDENTS
INSPECTORS
CLEARKS AND WORKERS

FUNCTIONS OF LOWER LEVEL MNGT

TO CONDUCT DIRECT SUPERVISION OF WORKERS AND THEIR JOBS
INSPECTION / QUALITY CONTROL FUNCTIONS
TRAINING AND IMPARTING INSTRUCTIONS TO WORKERS
BETTER WORK METHODS FOR OPERATING THROUGH CONTINUOUS
DEVELOPMENT AND IMPROVEMENT
TO PROVIDE FINAL FINISHING TOUCH TO THE PLANS AND POLICIES
OF TOP LEVEL MANAGEMENT



EVOLUTION OF MANAGEMENT

IT IS BETTER TO UNDERSTAND THE MNGMT CONCEPT IN DETAIL AND IN PROPER WAY.

IT IS A SCIENTIFIC PROCESS. TO UNDERSTAND THIS THERE ARE FRAMEWORKS AVAILABLE FROM DIFFERENT SCHOOLS OF MANAGEMENT.

THESE THOUGHTS ARE THEORETICAL FRAMEWORKS FOR THE STUDY OF MNGMT.

ALL THESE THOUGHTS ARE BASED ON SOMEWHAT DIFFERENT ASSUMPTIONS ABOUT HUMAN BEINGS AND THE ORGZN FOR WHICH THEY WORK.

THE MANAGEMENT THINKERS HAVE FOUND OUT WAYS TO ORGANIZE AND CLASSIFY THE HUGE AMOUNT OF INFORMATION ABOUT MNGMT THAT HAS BEEN COLLECTED AND DISTRIBUTED.

A LIST OF FEW MNGMT SCHOOLS WHICH GIVES FRAMEWORK TO UNDERSTAND MNGMT ARE FOLLOWS.

1. THE CLASSICAL SCHOOL
2. THE BEHAVIORAL SCHOOL
3. THE QUANTITATIVE OR MNGMT SCIENCE SCHOOL
4. THE SYSTEMS SCHOOL
5. THE CONTINGENCY SCHOOL.

IR@AIKTC-KPRC aiktcdspace.org MANAGER AND THE FUNCTIONS OF MANAGER

MANAGERS COME UNDER SECOND LEVEL OR MIDDLE LEVEL OF MANAGEMENT.

MANAGERS NOT ONLY THE LEADERS BUT THEY ARE EVEN PROBLEM SOLVERS, PLANNERS AND CHEERLEADERS.

MANAGERS PLAY MANY ROLES AND HAVE MANY RESPONSIBILITIES AT EACH LEVEL OF MNGMT WITHIN AN ORGNZN.

MANAGERS MAINLY ADMINISTER & COORDINATE RESOURCES LIKE MAN, MACHINE AND MONEY EFFECTIVELY AND EFFICIENTLY TO ACHIEVE THE GOALS OF AN ORGNZN.

AS MANAGERS ARE THE TEAM LEADERS THEY ENCOURAGE THE GROUP, TO REACH THE GOAL, SUCH AS BRINGING A NEW PRODUCT TO MARKET IN A TIMELY FASHION. TO FULFILL THESE GOALS, MANAGER NOT ONLY USE THEIR HUMAN RESOURCES, BUT THEY ALSO TAKE VARIOUS MATERIAL RESOURCES & ADVANCED TECHNOLOGY.

MANAGERS HE OR SHE MAY BE IN-CHARGE OF A CERTAIN DEPT WHOSE TASK IS TO DEVELOP A NEW PRODUCT. HE OR SHE IS TO COORDINATE, GIVE THEM MATERIALS AND TOOLS MACHINERY AS PER THEIR REQUIREMENTS TO ACCOMPLISH THE JOB. IF THE TEAM FAILS, ONLY THE MANAGER IS TO TAKE THE RESPONSIBILITIES OF THAT PARTICULAR TEAM.

SKILLS NEEDED BY MANAGERS

TECHNICAL SKILL

THIS SKILL REQUIRES THE ABILITY TO USE A SPECIAL OR EXPERTISE TO PERFORM PARTICULAR TASKS.

ACCOUNTANT, ENGINEERS, MARKET RESEARCHERS & COMPUTER SCIENTISTS, AS EXAMPLES, POSSESS TECHNICAL SKILL.

MANAGERS ACQUIRE THESE SKILLS INITIALLY THROUGH FORMAL EDUCATION AND THEN FURTHER DEVELOP THROUGH TRAINING & JOB EXPERIENCE.

HUMAN SKILL

THIS SKILL DEMONSTRATE THE ABILITY TO WORK WELL IN COOPERATION WITH OTHERS. A MANGER WITH GOOD HUMAN SKILLS HAS A HIGH DEGREE OF SELF AWARENESS & A CAPACITY TO UNDERSTAND THE FEELINGS OF OTHER. THIS SKILLS IMPROVE THROUGH CLASSES OR EXPERIENCE.

CONCEPTUAL SKILL

THIS SKILL CALLS FOR THE ABILITY TO THINK ANALYTICALLY. ANALYTICAL SKILLS ENABLE MANAGERS TO BREAK DOWN PROBLEMS INTO SMALLER PARTS. MANAGERS ACQUIRE THESE SKILLS INITIALLY THROUGH EDUCATION AND THEN DEVELOP BY TRAINING & JOB EXPERIENCE.

- MANAGEMENT CANNOT BE THOUGHT OF WITHUOT ADMINISTRATION.
- ADMINISTRATION IS DECIDING THE GOALS, FORMULATING POLICY BUT NOT AN IMPLIMENTING AGENCY.
- IT IS A MASTER OF INDUSTRY, REPRESENTING TOP LEVEL OF MNGMT.
- ADMINISTRATION DOES NOT REQUIRE TECHNICAL ABILITY.
- PERSONS LIKE OWNER, MANAGING DIRECTOR ARE INCHARGE OF ADMINISTRATION.

AN ADMINISTRATOR HAS TO DO THE FOLLOWING FUNCTIONS

- ORGANIZES HIS OWN WORK & SUBORDINATES
- DELEGATES RESPONSIBILITY & AUTHORITY.
- MEASURE EVALUATES & CONTROL POSITION ACTIVITIES.

SCIENTIFIC MANAGEMENT

SCIENTIFIC MNGMT IS DEFINED AS THE SYSTEMATIC STUDY OF WORK METHODS IN ORDER TO IMPROVE EFFICIENCY.

IN THE LATE 19TH CENTURY, MNGMT DICISIONS WERE OFTEN RANDOM AND WORKERS OFTEN WORKED AT AN INITIALLY SLOW SPEED. HENCE TO CREATE A CEREBRAL REVOLUTION IN WORKPLACE, SCIENTIFIC MNGMT COME INTO EXISTANCE.

FREDERICK W. TAYLOR WAS ITS MAIN PROMOTER.

SCIENTIFIC MNGMT HAS SEVERAL MAJOR PRINCIPLES.

- 1. IT INSISTS ON THE APPLICATION OF THE SCIENTIFIC METHOD TO WORK IN ORDER TO DETERMINE THE BEST METHOD FOR ACCOMPLISHING EACH TASK.**
- 2. WORKERS SHOULD BE SCIENTIFICALLY SELECTED BASED ON THEIR SKILL SETS, QUALIFICATIONS AND TRAINED TO PERFORM THEIR JOBS IN THE BEST MANNER.**
- 3. SCIENTIFIC MNGMT ALSO SUGGESTS THAT, COOERATION BETWEEN WORKERS AND MNGMT BASED ON MUTUAL SELF-INTREST AND UNDERSTANDING.**
- 4. SCIENTIFIC MNGMT ALSO SUGGESTS THAT, MNGMT SHOULD TAKE COMPLETE RESPONSIBILITY FOR PLANING THE WORK AND THAT PLAN SHOULD BE IMPLEMENT AS PRIMARY RESPONSIBILITY TO THE WORKERS.**

PRINCIPLES OF MANAGEMENT

HENRI FAYOL, A FRENCH MINING ENGINEER, DEVELOPED 14 PRINCIPLES OF MANAGEMENT BASED ON HIS MANAGEMENT EXPERIENCES. & THEY ARE STILL WIDELY USED IN MNGMT THEORIES. AS FOLLOWS.

1. **DIVISION OF WORK (LABOUR)** : WORK SHOULD BE DIVIDED AMONG THE WORKERS, DIVISION OF WORK AND SPECIALIZATION PRODUCES MORE AND BETTER WORK WITH THE SAME EFFORT.
2. **AUTHORITY AND RESPONSIBILITY** : AUTHORITY CREATES RESPONSIBILITY. IF YOU MAKE SOMEBODY RESPONSIBLE FOR DOING SOME WORK, ADEQUATE AUTHORITY SHOULD BE GIVEN TO HIM TO COMPLETE THE ALLOTTED WORK.
3. **DISCIPLINE** : WITHIN AN ORGANIZATION INDEPENDENT PROMPTNESS, RESPECT AND DISCIPLINE IS MUST FOR COMPLETING WORK, OTHERWISE IT WILL DISTURB THE CHAIN ACTIVITIES.
4. **UNITY OF COMMAND** : WORKERS SHOULD RECEIVE ORDERS AND INSTRUCTIONS FROM ONE SUPERVISOR OTHERWISE IT WILL CREATE CONFUSION IF ONE WORKER IS WORKING UNDER MORE SUPERVISORS.
5. **UNITY OF DIRECTION** : ORGNZ ACTIVITIES MUST HAVE ONE CENTRAL AUTHORITY AND ONE PLAN OF ACTION. i.e. WORKER WILL DO THE WORK IN ONE DIRECTION, ON ONE PLAN AS PER INSTRUCTION ISSUED FROM HIS BOSS.
6. **SUBORDINATION OF INDIVIDUAL INTEREST TO GENERAL INTEREST** : IT MEANS THAT INTEREST OF ORGNZN & INTEREST OF INDIVIDUAL SHOULD NOT OPPOSITE. THIS WILL MAINTAIN UNITY & AVOID FRICTION AMONG EMPLOYEES.

7 REMUNERATION : EVERY EMPLOYEE SHOULD BE PAID WAGES / SALARY FOR HIS WORK DONE BY HIM. AND IT SHOULD BE FAIR & PROVIDE SATISFACTION TO BOTH EMPLOYEE AND EMPLOYER.

8 CENTRALIZATION OF AUTHORITY : THE OBJECTIVE OF CENTRALIZATION IS THE BEST UTILIZATION OF PERSONNEL.

9 SCHALAR CHAIN : THE MANAGERS CALLED CHAIN OF SUPERIORS. THIS CHAIN SHOULD NOT BE BROKEN. THAT IS THERE SHOULD BE UNBROKEN LINE OF AUTHORITY AND COMMAND THROUGH ALL LEVELS FROM HIGHEST TO LOWEST POSITION IN ORGANIZATION.

10 ORDER ; IT INDICATES THAT EVERYONE HAS ITS OWN PLACE IN ORGANIZATION. THERE SHOULD BE ORDER OF RIGHT PERSON AT RIGHT PLACE AND RIGHT MATERIAL AT RIGHT TIME.

11 EQUITY / EQUALITY : BOTH EQUITY AND EQUILITY OF TREATMENT SHOULD BE CONSIDERED WHEN DEALING WITH EMPLOYEES. EVERY PERSON GETS TREATMENT AS PER HIS DIGNITY. MAN IS NOT A MACHINE.

12 STABILITY OF TENURE OF PERSONNEL : TO ATTAIN THE MAXIMUM PRODUCTIVITY OF PERSONNEL, A STABLE WORK FORCE IS NEEDED.

13 INITIATIVE : WORKER MUST BE MOTIVATED TO TAKE INITIATIVE IN HIS WORK. MANAGER SHOULD CREATE SUCH CONDUCTIVE ATMOSPHERE SO THAT WORKER SHOULD TAKE INITIATIVE & INTEREST IN HIS WORK.

13 ESPRIT DE CORP : TEAM WORK IS FUNDAMENTALLY IMPORTANT TO AN ORGANIZATION. WORK TEAM & EXTENSIVE FACE TO FACE VERBAL COMMUNICATION ENCOURAGES TEAMWORK.

Henri Fayol's 14 Principles Of Management



1. Division Of Work

Henry Fayol has stressed on the specialization of jobs.

He recommended that work of all kinds must be divided & subdivided and allotted to various persons according to their expertise in a particular area.

Subdivision of work makes it simpler and results in efficiency.

It also helps the individual in acquiring speed, accuracy in his performance.

Specialization leads to efficiency & economy in spheres of business.

2. Authority

Authority as the right to give orders and the power to exact obedience.

Responsibility involves being accountable, and is therefore naturally associated with authority.

Whoever assumes authority also assumes responsibility

Authority without responsibility leads to irresponsible behavior whereas responsibility without authority makes the person ineffective

3. Discipline

Discipline means sincerity, obedience, respect of authority & observance of rules and regulations of the enterprise

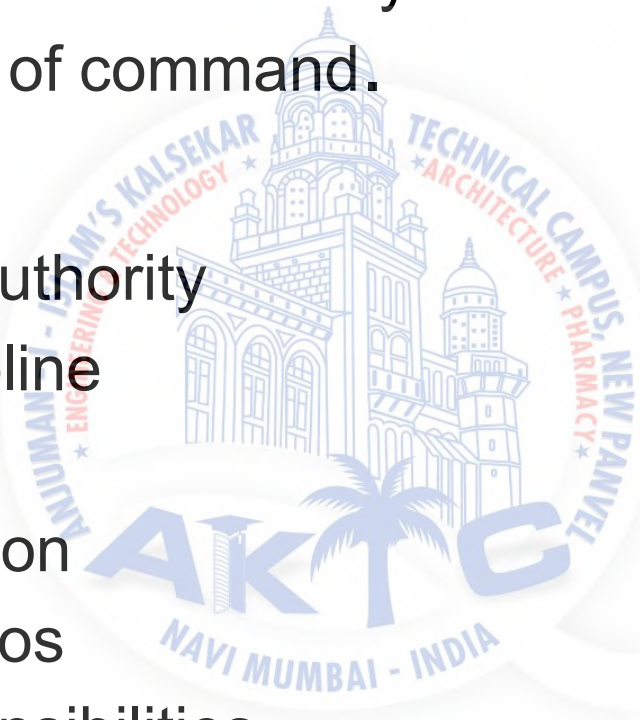


4. Unity Of Command

Each worker should have only one boss with no other conflicting lines of command.

Otherwise

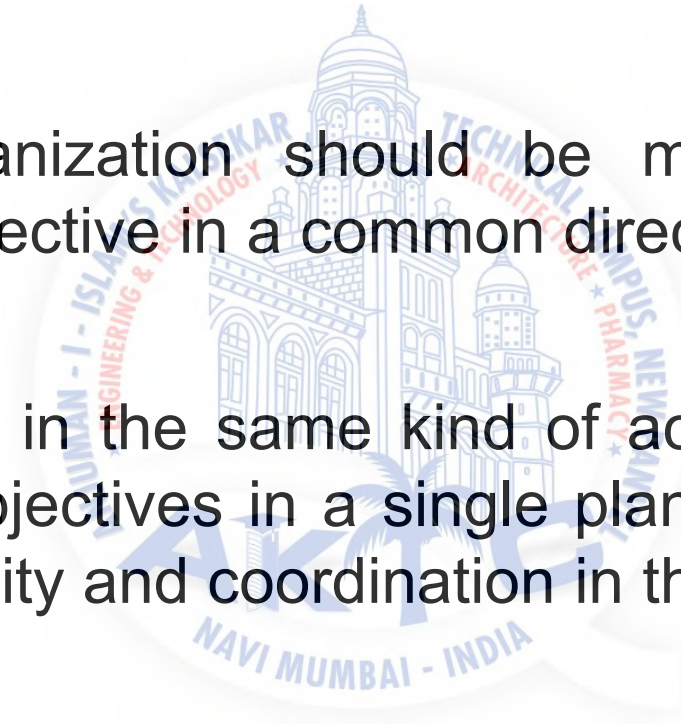
- It undermines authority
- Weakens discipline
- Divides loyalty
- Creates confusion
- Delays and chaos
- Escaping responsibilities
- Duplication of work
- Overlapping of efforts



5. Unity of Direction

The entire organization should be moving towards a common objective in a common direction

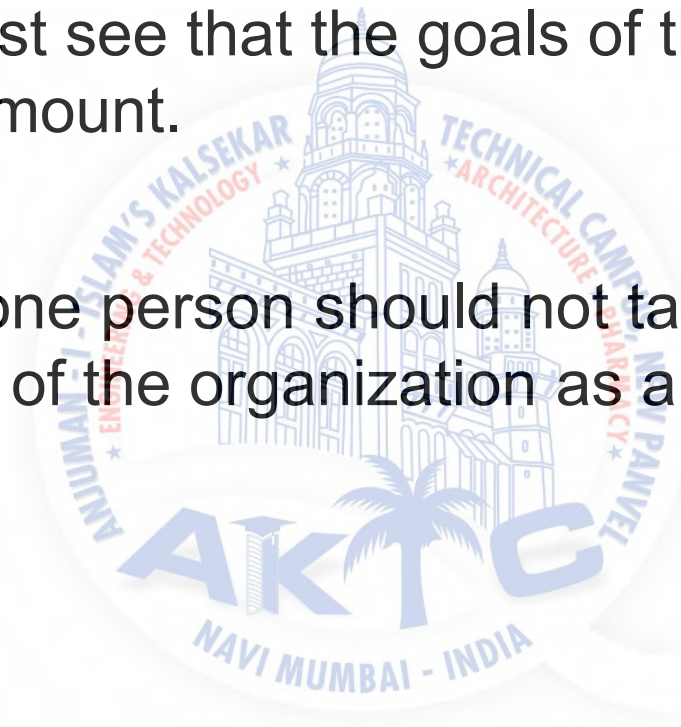
People engaged in the same kind of activities must have the same objectives in a single plan. This is essential to ensure unity and coordination in the enterprise.



6. Subordination of individual interest to the general interest

Management must see that the goals of the firms are always paramount.

The interests of one person should not take priority over the interests of the organization as a whole.

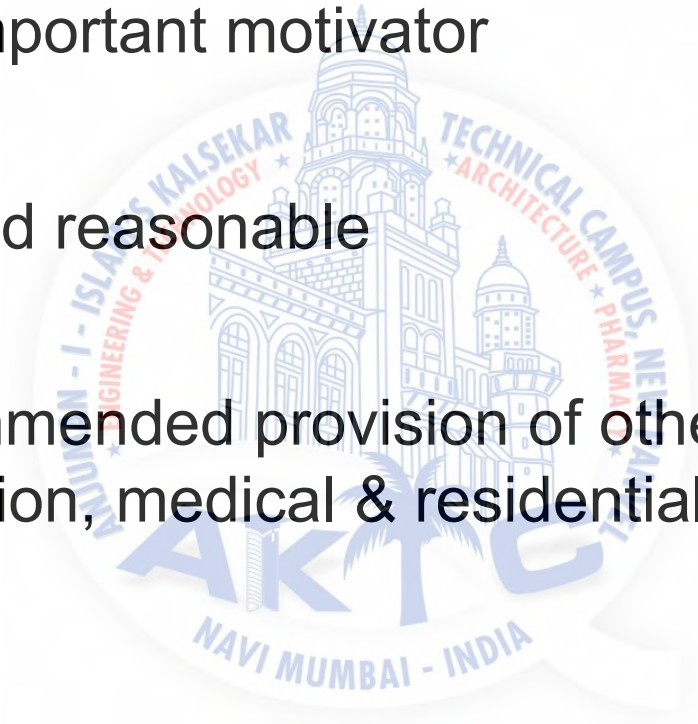


7. Remuneration

Payment is an important motivator

Should be fair and reasonable

Fayol also recommended provision of other benefits such as free education, medical & residential facilities to workers



8. Centralization (Or Decentralization)

According to Fayol, “Degree of centralization or decentralization depends on no. of factors like size of business, experience of superiors, dependability & ability of subordinates etc.

Anything which increases the role of subordinate is decentralization & anything which decreases it is centralization.

Fayol suggested that absolute centralization or decentralization is not feasible. An organization should strike to achieve a lot between the two.

9. Scalar chain (Line of Authority)

A hierarchy is necessary for unity of direction

Scalar chain refers to the number of levels in the hierarchy from the ultimate authority to the lowest level in the organization.

It should not be over-stretched and consist of too-many levels

Every orders, instructions, messages, requests, explanation etc. has to pass through Scalar chain

10. Order

This principle is concerned with proper & systematic arrangement of things and people.

Arrangement of things is called material order and placement of people is called social order.

Material order- There should be safe, appropriate and specific place for every article and every place to be effectively used for specific activity and commodity.

Social order- Selection and appointment of most suitable person on the suitable job. There should be a specific place for every one and everyone should have a specific place so that they can easily be contacted whenever need arises.

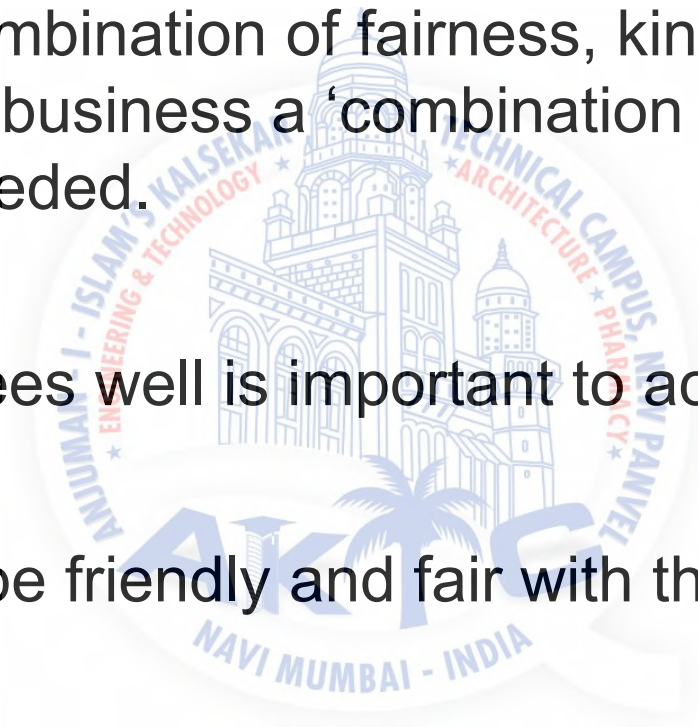
11. Equity

Equity means combination of fairness, kindness & justice.

In running a business a 'combination of kindness and justice' is needed.

Treating employees well is important to achieve equity.

Managers must be friendly and fair with their employees



12. Stability of Tenure of Personnel

Employees work better if job security and career progress are assured to them.

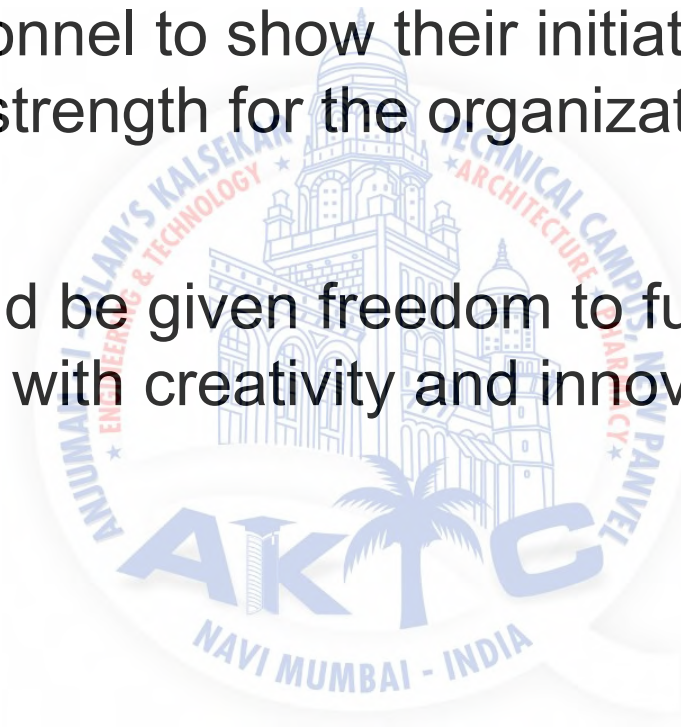
An insecure tenure and a high rate of employee turnover will affect the organization adversely.

Stability of job creates team spirit and a sense of belongingness among workers which ultimately increase the quality as well as quantity of work.

13. Initiative

Allowing all personnel to show their initiative in some way is a source of strength for the organization.

Employees should be given freedom to function in the organization with creativity and innovation



14. Esprit de Corps

It refers to team spirit i.e. harmony in the work groups and mutual understanding among the members.

Spirit De' Corps inspires workers to work harder.

Fayol cautioned the managers against dividing the employees into competing groups because it might damage the moral of the workers and interest of the undertaking in the long run.

What Is Management? (According To Fayol)

Fayol's definition of management roles and actions distinguishes between **Five Elements**:

Prevoyance. (Forecast & Plan). Examining the future and drawing up a plan of action. The elements of strategy.

To organize. Build up the structure, both material and human, of the undertaking.

To command. Maintain the activity among the personnel.

To coordinate. Binding together, unifying and harmonizing all activity and effort.

To control. Seeing that everything occurs in conformity with established rule and expressed command.

Application Of Fayol's Principles

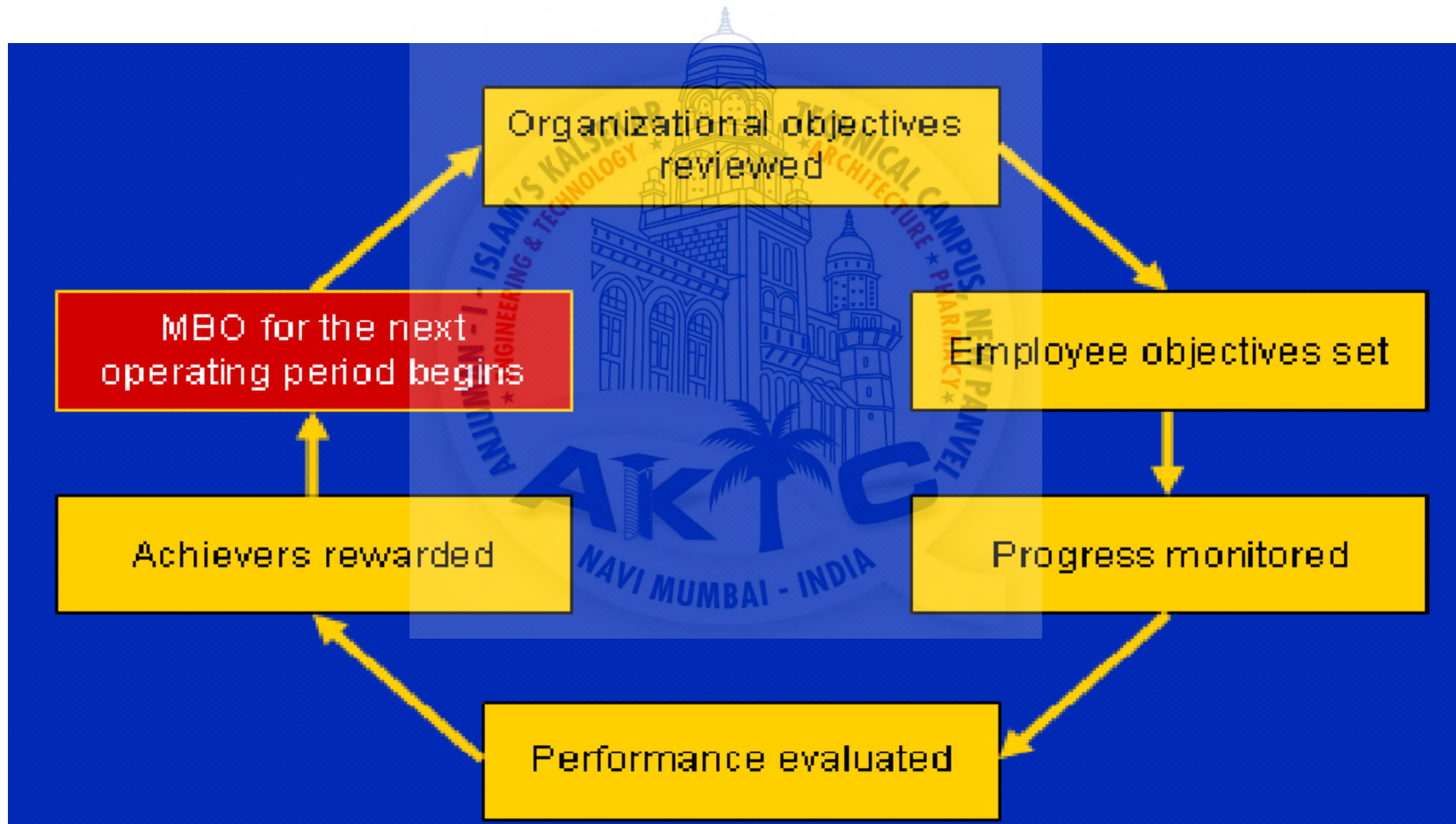
Change and Organization.

Decision-making.

Skills. Can be used to improve the basic effectiveness of a manager.

Understand that management can be seen as a variety of activities, which can be listed and grouped.

Peter Drucker's Management By Objectives



AUTHORITY, DELEGATION AND RESPONSIBILITY

AUTHORITY : MEANS SPECIAL POWER OR A PERMISSION WHICH IS OBTAINED BY A PERSON FROM HIS HIGHER OFFICER. ON THAT BASIS THAT PERSON GETS THE RIGHT TO DO THE WORK IN THE ENTERPRISE. MANAGERS GET THESE POWER FROM THEIR CHAIRMAN & BY THE USE OF THESE POWERS THEY GET THE WORK DONE FROM THEIR SUBORDINATES.

DELEGATION : A CONCEPT RELATED TO AUTHORITY IS DELEGATION. DELEGATION IS THE DOWNWARD TRANSFER OF AUTHORITY FROM A MANAGER TO A SUBORDINATE.

RESPONSIBILITY : A PERSON IS MADE RESPONSIBLE / ACCOUNTABLE TO DO A PARTICULAR WORK. WHEN THE AUTHORITY ASSIGNED, AUTOMATICALLY RESPONSIBILITY COMES ON HIS HEAD.

FUNCTIONS OF MANAGEMENT

**MANAGEMENT FUNCTIONS(DUTIES) ARE
BROADLY CLASSIFIED AS;**

PLANING

ORGANIZING

DIRECTING

CONTROLLING

MOTIVATING

COORDINATING AND

DECISION MAKING



PLANNING

- THE MILITARY SAYING “**IF YOU FAIL TO PLAN, YOU PLAN TO FAIL,**”
- **IT MEANS THINKING BEFORE DOING.** IT DECIDE WHAT TO PRODUCE, HOW TO PRODUCE, HOW MUCH IN QUANTITY, WHEN TO PRODUCE AND WHO SHOULD PRODUCE ?
- PLANNING IS THE BLUE PRINT FOR GOAL ACHIEVEMENT THAT SPECIFIES NECESSARY RESOURCES ALLOCATIONS, SCHEDULE, TASKS AND OTHER ACTIONS. IN SHORT PLANNING IS PREPARING FOR TOMORROW AND TODAY’S ACTIVITIES.
- GOALS SPECIFY FUTURE ENDS, PLANS SPECIFY TODAY’S MEANS.
- **THE MAIN ADVANTAGES OF PLANNING**
- IT AVOIDS WASTAGES OF MANPOWER, MATERIAL AND MONEY
- GIVES AN ORGZN A SENSE OF DIRECTION
- FOCUSSES ATTENTION ON OBJECTIVES AND RESULTS
- PROVIDES GUIDELINES FOR DECISION MAKING
- **TYES OF PLANNING**
- 1=OPERATIONAL PLAN
- 2=TACTICAL PLAN
- 3=STATEGIC PLAN
- 4=CONTIGENCY PLAN

ORGANIZING

HERE THE MAN MACHINES AND MATERISLS ARE ARRANGED IN A ROPER ORDER SO THAT THE WORK GOES ON SMOOTHLY.

IT IS A PROCESS OF IDENTIFYING & GROUPING OF TASKS AND ESTABLISHING AUTHORITATIVE RELATIONSHIP AMONG EMPOLYEEES SO THAT THE FIRM OBJECTIVES ARE ACHIEVED.

THERE ARE FOUR STAGES(STEPS) IN ORGANISING

- 1 = IDENTIFYING THE GOALS OF DIFFERENT DIVISIONS LIKE SALES, FINANCIAL, PURCHASE etc.
- 2 = THE FIRM IS DIVIDED INTO DEPARTMENTS OR DIVISIONS SO THAT ALL THE RESOURCES ARE UTILIZED EFFICIENTLY.
- 3 = PROPERLY ASSIGNING OF AUTHORITY AND RESPONSIBILITIES. OF ALL DEPARTMENTAL HEADS.
- 4 = AUTHORITY AND ACCOUTABILITY RELATIONSHIP BETWEEN EMPLOYEES SHOULD BE ESTABLISHED.

STAFFING AND DIRECTING

STAFFING

IT IS CONCERN WITH RECRUITMENT OF MAN POWER. IT IS THE PROCESS OF SELECTING QUALIFIED EMPLOYEES TO FILL THE JOB IN THE INDUSTRIES.

IT IS A CONTINUOUS PROCESS INVOLVING DEVELOPING AND PLACING QUALIFIED PEOPLE. MANAGER IS RESPONSIBLE FOR STAFFING PROCESS.

IF PROPER STAFFING IS NOT DONE THEN THE INDUSTRY CANNOT RUN EFFICIENTLY AND ECONOMICALLY.

DIRECTING

DIRECTING USUALLY INCLUDES LEADERSHIP COMMUNICATION, MOTIVATION AND SUPERVISION.

IT IS THE PROCESS WHERE THE SUBORDINATES ARE GUIDED TO REACH THE GOALS SET FOR THEM.

IT INCLUDES GIVING INSTRUCTIONS TO SUBORDINATES AND GUIDING, AND SUPERVISING THEM TO SEE THAT THEY ARE WORKING ACCORDING TO THE PLAN.

COORDINATING AND CONTROLLING

COORDINATING

IT MEANS EACH THING HAS ITS OWN PLACE ONE HAS TO PLACE IT TO COODINATE AND ACHIEVE HARMONY OF INDIVIDUAL EFFECTS.

FOR EWAMPLE, IN HOSPITAL, THE ACTIVITY OF DOCTOR, NURSE, WARD ATTENDATS AND LAB TECHNICIANS MUST BE PROPERLY SYNCHRONIZED IF THE PATIENT RECEIVE GOOD CARE.

SIMILARLY IN MODERN ENTERPRISE, WHICH CONSISTS NUMBER OF DEPTS, SUCH AS PURCHASE, SALES, FINANCIAL, PERSONNEL, etc.,

CONTROLLING

CONTROLLING IS APROCESS OF MONITORING THE ACTUAL PERFORMANCE AND COMPARE WITH THE STANDERD PLAN OR PRE PLANNED TARGETS.

MANAGER COLLECT DATA TO MEASURE ACTUAL PERFORMANCE AND IT IS COMPARE WITH PREPLANNED TARGETS, IF THERE IS DEVIATION FROM PLANNED TARGETS, THEN CORRECTIVE ACTION MAY BE TAKEN.

DECISION MAKING

DECISION MAKING IS A COURSE OF ACTION SELECTED TO MEET THE REQUIREMENT OF SOLUTION (PROBLEM). IT IS AN INTELLECTUAL ACTIVITY BECAUSE IT REQUIRE CORRECT JUDGEMENT AND IMAGINATION TO SELECT CORRECT ALTERNATIVE.

THE ENTIRE DECISION MAKING PROCESS IS DEPENDENT UPON THE RIGHT INFORMATION BEING AVAILABLE TO THE RIGHT PEOPLE AT RIGHT TIMES.

MOTIVATION

MOTIVATION IS DEFINED AS THE FORCE THAT CAUSES AN INDIVIDUAL TO BEHAVE IN A SPECIFIC WAY. HIGHLY MOTIVATED PERSON WORKS HARD AT A JOB. AND UNMOTIVATED PERSON DOES NOT.

TYPES OF MOTIVATION

1. **INTRINSIC MOTIVATION** : THESE ARE THE ACT WHICH GIVES INNER SATISFACTION AS THEY FULFIL WISHES OF A PERSON OTHER THAN MONEY. **EX**: ADDITIONAL AUTHORITY, ADDITIONAL CHARGE OF SAME DUTY.
1. **EXTRINSIC MOTIVATION** : THEY ARE EXTERNAL FACTORS, WHICH ALSO SATISFIES THE EXTERNAL NEEDS OF WORKERS. **EX** : EXTRA MONEY OR BONUS, ADDITIONAL ALLOWANCES.
2. **POSITIVE MOTIVATION** : THESE ARE THE ACT THAT ADDS TO AN EXISTING SET OF SATISFACTION. **EX** : HIGHER WAGES, BETTER AND MORE RESPONSIBLE JOB.
3. **NEGATIVE MOTIVATION** : IT IS TRYING TO INFLUENCE BEHAVIOUR OF WORKER BY THREATENING OR CREATING FEAR. **EX** : REDUCED WAGES, FEAR OF LOSING ONE'S PRESENT JOB.

ABHM MASLOW DEFINED NEED AS A PHYSIOLOGICAL OR PSYCHOLOGICAL DEFICIENCY THAT A PERSON FEELS COMPULSION TO SATISFY. THIS NEED CAN CREATE TENSION THAT CAN INFLUENCE A PERSON'S WORK ATTITUDES & BEHAVIOURS. HIS PREMISE IS THAT ONLY AN UNSATISFIED NEED CAN INFLUENCE BEHAVIOUR; A SATISFIED NEED IS NOT A MOTIVATOR.

MASLOW'S THEORY IS BASED ON TWO PRINCIPLES:

1. **DEFICIT PRINCIPLE :** A SATISFIED NEED NO LONGER MOTIVATES BEHAVIOUR BECAUSE PEOPLE ACT TO SATISFY DEPRIVED NEEDS.
2. **PROGRESSION PRINCIPLE :** THE FIVE NEEDS HE IDENTIFIED EXIST IN A HIERARCHY, WHICH MEANS THAT A NEED AT ANY LEVEL ONLY COMES INTO PLAY AFTER A LOWER-LEVEL NEED HAS BEEN SATISFIED.

LEVEL OF NEEDS

TO SATISFY OFFERS

SELF ACTUALIZATION NEEDS

CREATIVE & CHALLENGING WORK,
PARTICIPATION IN DECISION MAKING, JOB FLEXIBILITY

ESTEEM NEEDS

RESPONSIBILITY OF AN IMPORTANT JOB, PROMOTION OF
HIGHER STATUS JOB

SOCIAL NEEDS

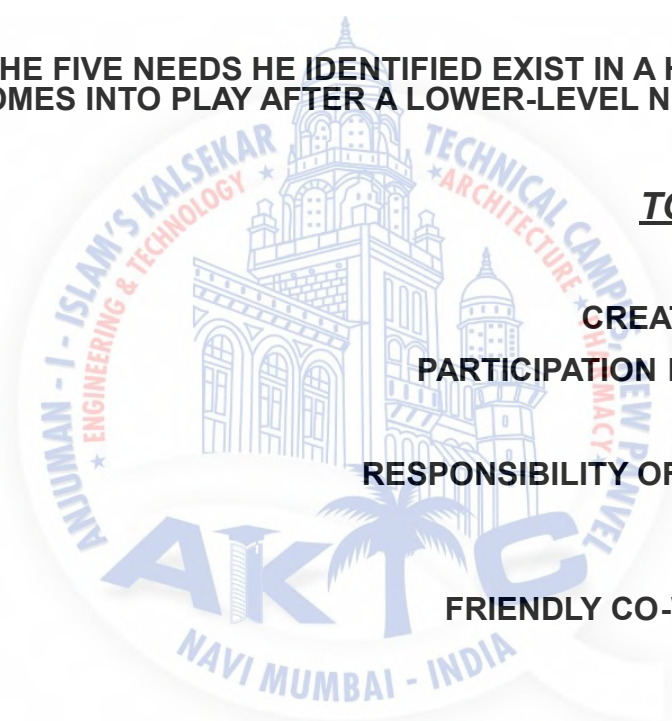
FRIENDLY CO-WORKERS, PLEASANT SUPERVISOR,
INTERACTION WITH CUSTOMERS

SAFETY NEEDS

SAFE WORKING CONDITION, JOB SECURITY,
BASE COMPENSATION & BENEFITS

PHYSIOLOGICAL NEEDS

REST & REFRESHMENT BREAKS, PHYSICAL
COMFORT ON JOB,
REASONABLE WORK HOURS



HERZBERG'S TWO FACTOR THEORY

HERZBERG IN HIS TWO FACTOR THEORY IDENTIFIES TWO SETS OF FACTORS THAT IMPACT MOTIVATION IN THE WORKPLACE.

1. HYGIENE FACTORS :

THIS INCLUDES SALARY, JOB SECURITY, WORKING CONDITIONS, ORGANIZATIONAL POLICIES AND TECHNICAL QUALITY OF SUPERVISION. ALTHOUGH THESE FACTORS DO NOT MOTIVATE EMPLOYEES, THEY CAN CAUSE DISSATISFACTION IF THEY ARE MISSING.

2. SATISFIERS OR MOTIVATORS :

THIS INCLUDES RESPONSIBILITY, ACHIEVEMENT, GROWTH OPPORTUNITIES AND FEELINGS OF RECOGNITION ARE THE KEY TO JOB SATISFACTION AND MOTIVATION.

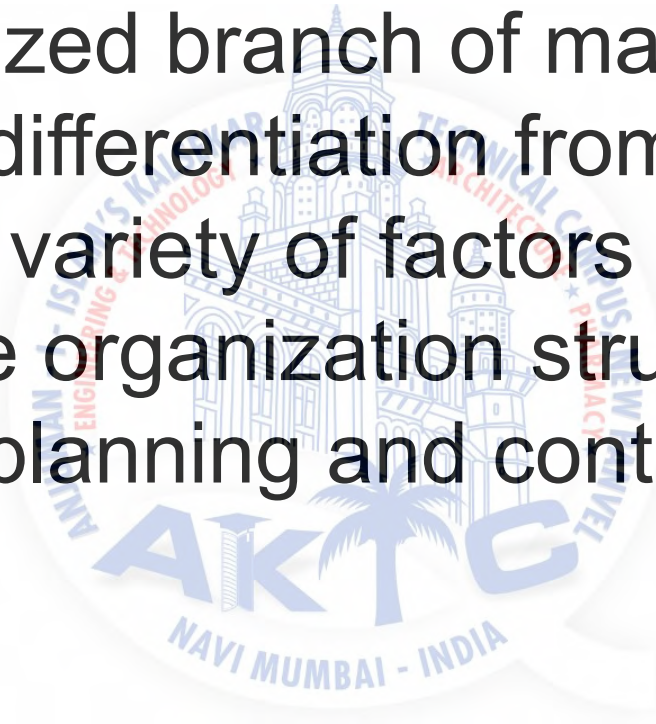
CLAYTON ALDERFER'S ERG (EXISTENCE, RELATEDNESS, GROWTH) THEORY IS BUILT UPON MASLOW'S HIERARCHY OF NEEDS THEORY. HE CATEGORISE HIS FIVE NEEDS INTO THREE NEEDS.

1. **EXISTENCE NEEDS** : ARE DESIRE FOR PHYSIOLOGICAL & MATERIAL WELL-BEING.
1. **RELATEDNESS NEEDS** : ARE DESIRES FOR SATISFYING INTERPERSONAL RELATIONSHIPS.
1. **GROWTH NEEDS** : ARE DESIRE FOR CONTINUED PSYCHOLOGYCAL GROWTH AND DEVELOPMENT.

- **DEFINE MANAGEMENT. STATE THE DUTIES OF MANAGEMENT**
- **DEFINE ADMINISTRATION. STATE THE DUTIES WHICH COMES UNDER ADMINISTRATION.**
- **DIFFERENTIATE BETWEEN ADMINISTRATION & MANAGEMENT.**
- **DEFINE THE TERM COORDINATION. STATE THE NEED OF COORDINATION IN MANAGEMENT.**
- **ENLIST PRINCIPLES OF HENRY FAYOL MANAGEMENT.**
- **EXPLAIN EVOLUTION OF MANagements.**
- **EXPLAIN SCIENTIFIC MANAGEMENT. AND WRITE F.W TAYLOR'S PRINCIPLES OF SCIENTIFIC MANAGEMENT.**
- **WHY IS IT NECESSARY TO HAVE CONTROLLING FUNCTION OF MANAGEMENT.**
- **EXPLAIN THE FOLLOWING FUNCTIONS OF MANAGEMENT.(WRITE A SHORT NOTE OF THE FOLLOWINGS)**
A) DIRECTING B) CONTROLLING C) PLANNING & D) ORGANIZING
- **EXPLAIN THE FUNCTIONS(DUTIES) OF MANAGEMENT**
- **WHAT ARE THE ROLES PERFORMED BY THE MANAGER ? AND WHAT ARE THE SKILLS NEEDED BY THE MANAGER.**
- **WHAT DO YOU MEAN BY LEVELS OF MANAGEMENT ? EXPLAIN EACH LEVEL.**

Project Management

It is a specialized branch of management capable of differentiation from others based on a variety of factors which includes the organization structure, the process of planning and control, human relation



References

- Project management- Harold Kerzner
- Project Management – Vasant Desai
- Quantitative Techniques in Management-
N.D. Vohra
- Project Management – Prasanna Chandra
- Project Management – K Nagrajan

Project is accomplished by performing a set of activities



Characteristics of Project

Objectives

Life cycle

Definite time limit

Uniqueness

Team work

Complexity

Sub-contracting

Risk & Uncertainty



Characteristics of Project

Customer Specific nature

Change

Response to environment

Forecasting

Rational choice

Principle of succession

Optimality

Control mechanism

Multidisciplinary

Conflicts

Parts of Large Program



Attributes of good Project manager

Planning & organizational skills

Personal Mgmt skills

Communication skills

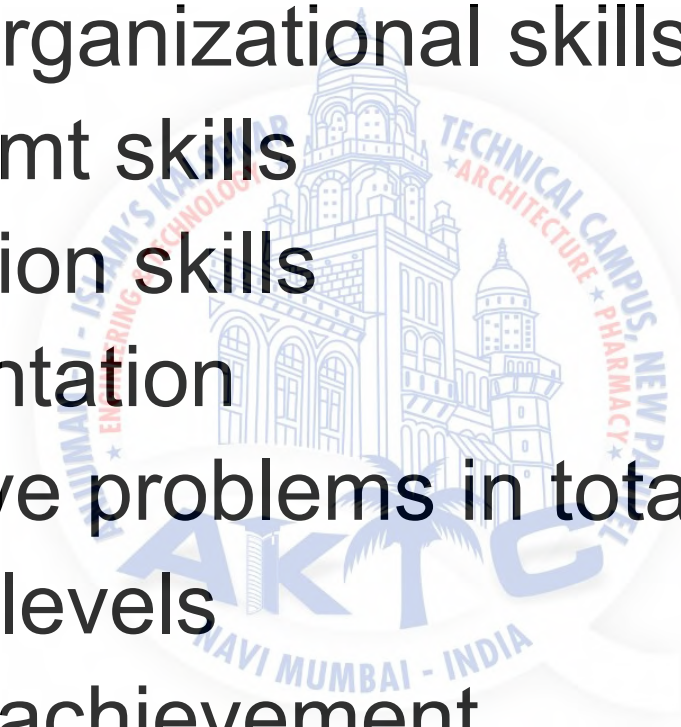
Change orientation

Ability to solve problems in totality

High energy levels

Ambition for achievement

Ability to take suggestion



Taxonomy of Projects

Activity- industrial , non-industrial

Location – national , international

Project Completion Time – normal, crash

Ownership – private sector, public, joint sector

Size – small , medium , large

Need

New Project

Balancing Project

Expansion Project

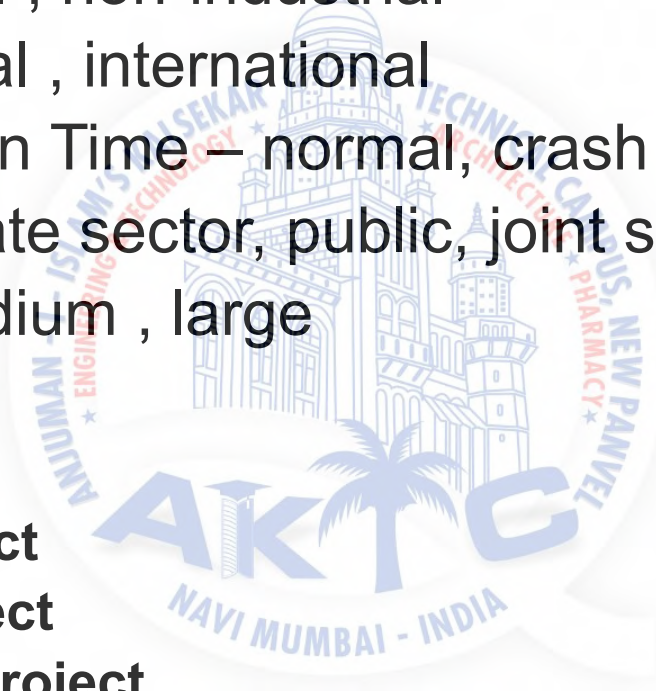
Modernization Project

Replacement Project

Diversification project

Backward Integration project

Forward Integration Project



Government Regulator

Major role in industrial development

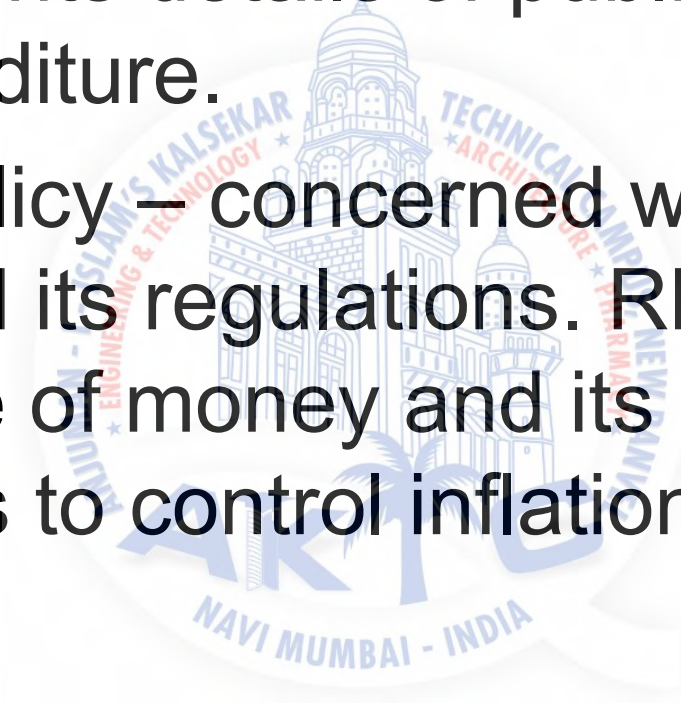
Individual entrepreneurs search for profitable ventures and function according to government framework

Lays down industrial priorities for country development

Adopts Industrial licensing policy to control new investments in such areas where growth has attained stauration

Fiscal Policy – influence economic activity of country through the medium of budget. Govt presents details of public revenue and expenditure.

Monetary policy – concerned with qty of money and its regulations. RBI regulates the volume of money and its main objective is to control inflation and deflation



Other regulatory measures

Industrial licensing

Control over capital issues

Control over foreign exchange

Export promotion and import controls

Control over monopolies and restrictive trade practices

Control over pricing and distribution of commodities

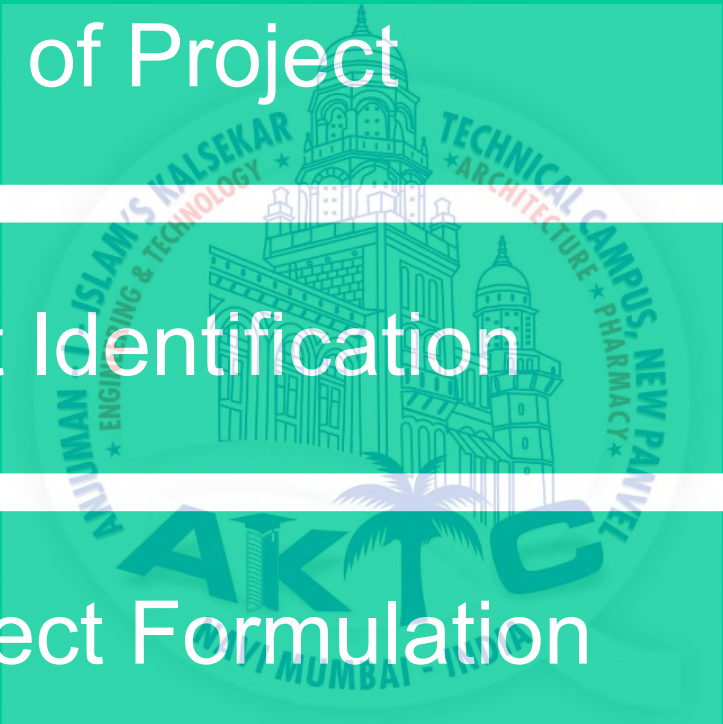
Search for Business
Idea

Concepts of Project

Project Identification

Project Formulation

Project Analysis & Risks



Project Planning

Project Design &
Network Analysis

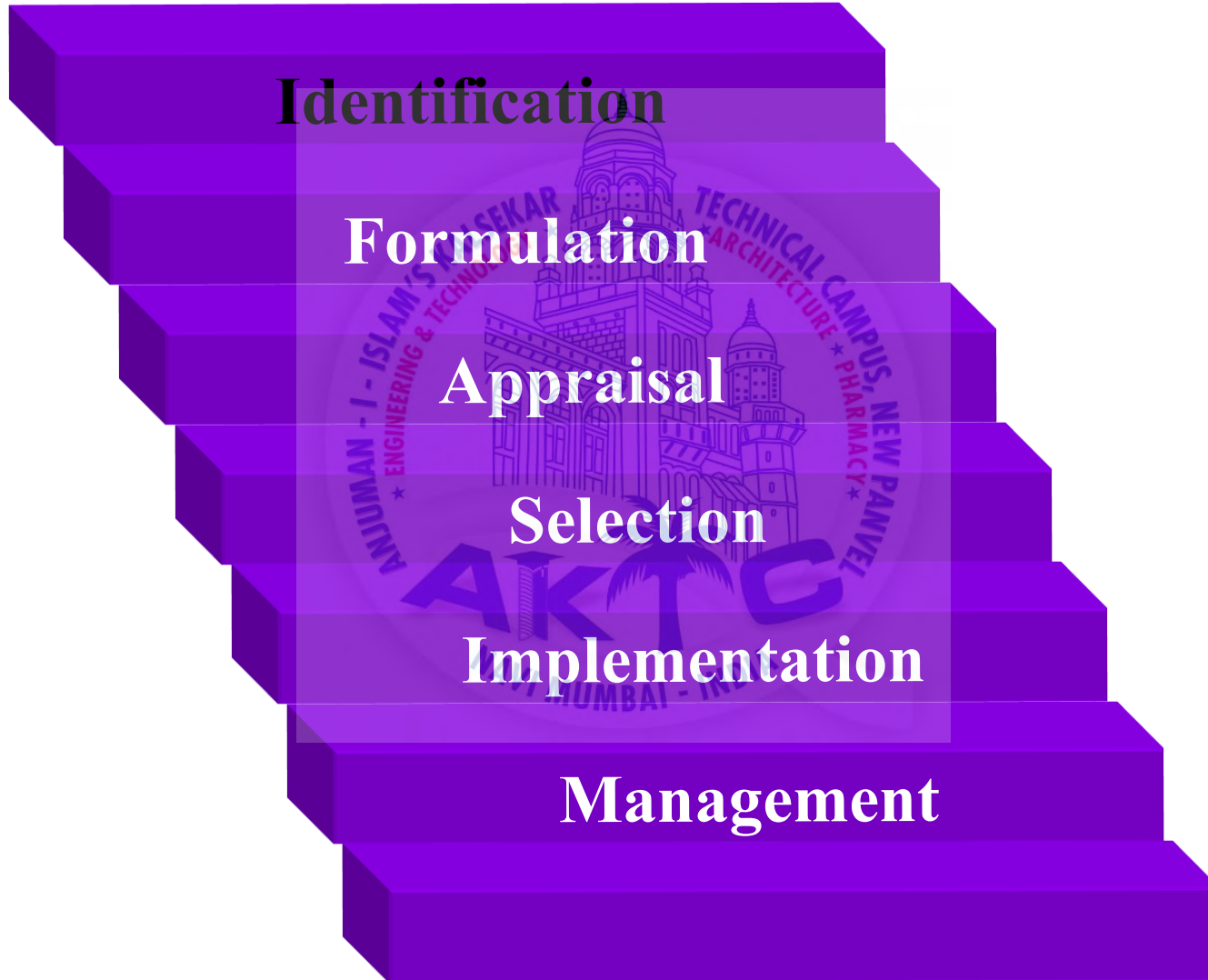
Project Report

Project Appraisal


Location of Enterprise



Phases of a Project Mgmt



Project Identification

The logo of AIKTC (All India Kisan Technical College) is a circular emblem. It features a central illustration of a classical building with a dome and a palm tree in the foreground. The text 'AIKTC' is prominently displayed in the center. Surrounding the emblem are the words 'ENGINEERING', 'TECHNOLOGY', 'ARCHITECTURE', and 'PHARMACY'. The outer ring of the logo contains the text 'TECHNICAL CAMPUS - NEW PANVEL' at the top and 'NAVAMUNEMI - INDIA' at the bottom.

Performance of existing industries
Availability of raw material
Availability of skilled labor
Import / export statistics
Price trend
Data from various sources
Research laboratories
Consumption abroad
Plan outlays & govt. guidelines
Analysis of economic and social trends
Reviving sick units

Project Formulation

Pre Feasibility study

Functional studies- mkt study , raw material ,
project location, plant size, equipment
selection

Feasibility study

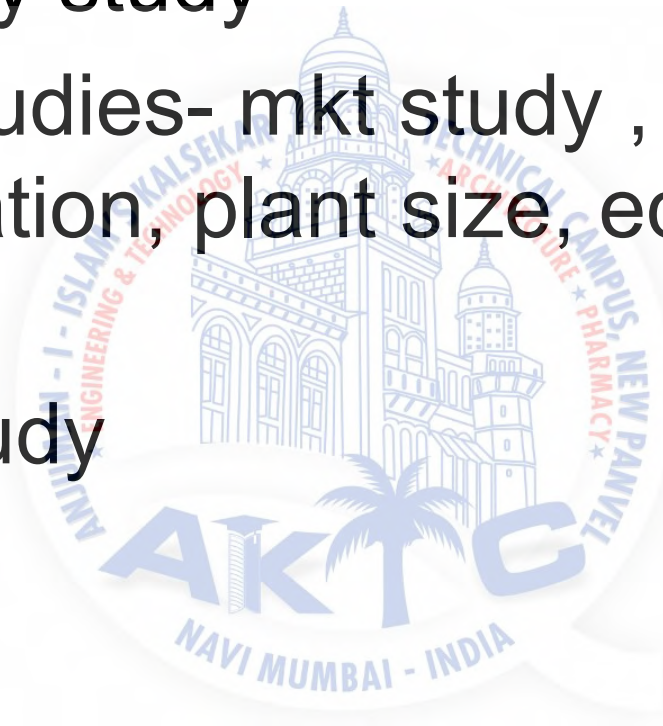
Technical

Economic

Commercial

financial

Detailed Project Analysis (DPR)



Detailed Project Analysis (DPR)

It is a report to formally communicate the project promoter's decision of venturing a new project to financial institutions for their perusal and to government departments for getting their approvals

General info

Background and experience of project promoters

Details of proposed project

Schedule of implementation

Project cost

Means of financing project

Working capital requirements

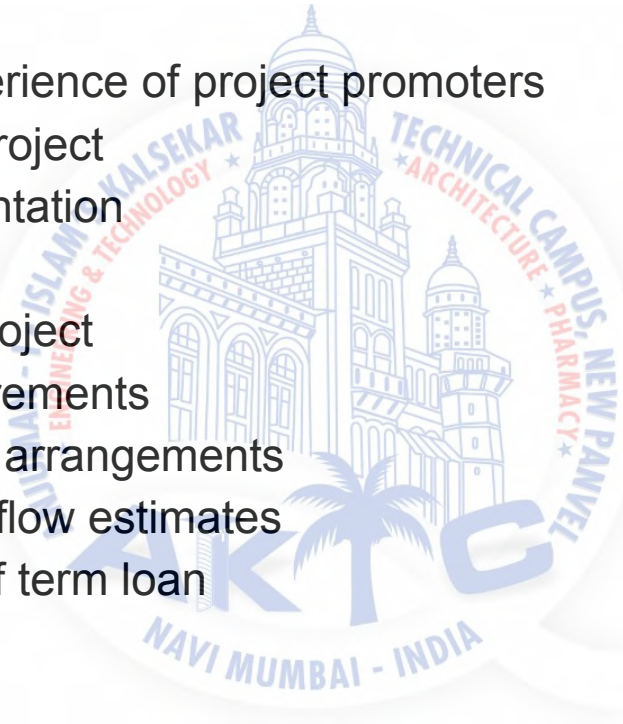
Marketing and selling arrangements

Profitability and cash flow estimates

Mode of repayment of term loan

Govt approvals

Collateral security



Feasibility Report

Market Analysis

Consumption trends in the past and present consumption level.

Past and present supply position.

Production possibilities and constraints.

Imports and exports

Structure of competition

Cost structure

Elasticity of demand

Consumer behavior

Distribution channels and marketing policies

Administrative, technical and legal constraints



Technical Analysis

Preliminary tests and studies

Availability of raw materials

Selected scale of operation is optimal

Production process chosen is suitable

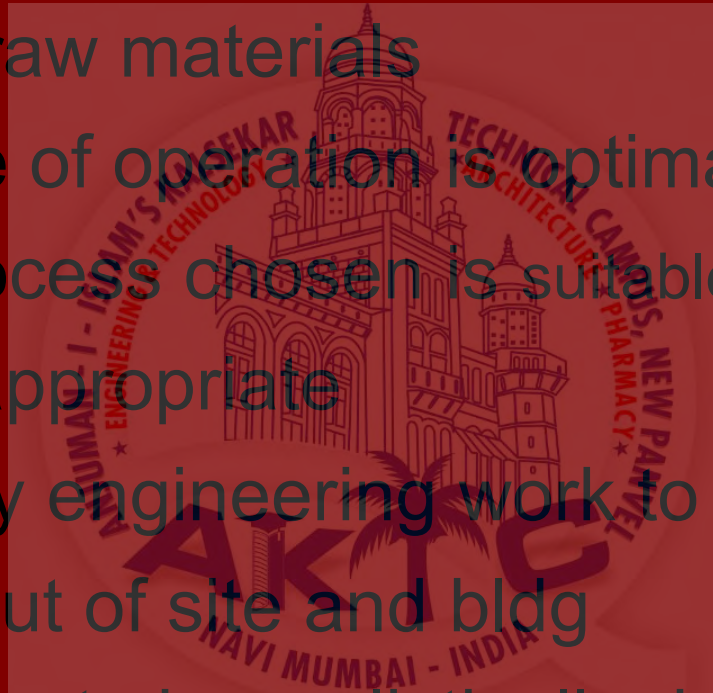
Machinery is appropriate

Supplementary engineering work to be provided

Proposed layout of site and bldg

Work schedules to be realistically drawn

Appropriate technology



Financial Analysis

Investment outlay and cost of project

Means of financing

Cost of capital

Projected profitability

Break even point

Cash flows of the project

Investment worthwhileness

Projected financial position

Level of risk



Social Profitability Analysis (Economic Analysis)

- Economic cost and benefit of project
- Impact of project on distribution of income in society
- Impact of project on the level of savings and investment in the society
- Contribution towards self-sufficiency, employment and social order



Ecological Analysis

Environmental damage
Restoration measures



Criteria for selecting a particular Project

- ☀ Investment Size
- ☀ Location
- ☀ Technology
- ☀ Equipment
- ☀ Marketing



Importance of Project Identification

Economic Development

Employment and Income generation

Substantial Financial Outlays

Basic Infrastructure and Environment



Establishing the Project

Initiating

Planning

Organizing

Executing

Directing and Controlling



Skills required of a project Manager

Leadership skills

Team Building Skills

Conflict Resolution Skills

Technical skills

Managerial skills

The logo of AIKTC (Aparna Institute of Knowledge and Technical Education) is a circular emblem. It features a central illustration of a classical building with a dome and a palm tree in the foreground. The text 'AIKTC' is written in large, bold, blue letters across the bottom of the emblem. Above it, 'NAVI MUMBAI - INDIA' is written in a smaller font. The outer ring of the emblem contains the text 'APARNA INSTITUTE OF KNOWLEDGE & TECHNICAL EDUCATION' at the top and 'TECHNICAL CAMPUS - NEW PANVEL' at the bottom, with 'ENGINEERING' and 'PHARMACY' on the left and right sides respectively, separated by stars.

*Organizing Human
Resource*

Project Control

Cost

Time

Quality / technical performance

Examples of control systems

- ❖ Work breakdown structure
- ❖ Bar chart
- ❖ Program progress chart
- ❖ Monthly status reports
- ❖ Earned value analysis
- ❖ Pert cost system
- ❖ PERT CPM networks
- ❖ Network Simulations

