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# UNIT 1 PRINCIPLES AND FUNCTIONS OF MANAGEMENT

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## 1.0 OBJECTIVES

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After reading this Unit, you will be able to:

- explain the meaning and purpose of management;
- elucidate scientific management, different levels of management and the managerial skills required;
- describe managerial functions or elements of management and their importance and limitations;
- explain general principles of management; and
- understand the application of modern management techniques and methods in managing a library.

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## 1.1 INTRODUCTION

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This Unit introduces you to the basics of management discipline and its general principles and functional elements. We shall study the meaning, purpose and scope of scientific management in relation to the aims and objectives of any organisation, specifically for library management.

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## 1.2 MANAGEMENT – MEANING AND SCOPE

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It is very difficult to accurately define management. There is no universally accepted definition of management. Management involves both acquisition and application of knowledge. It does not go by rule of thumb or intuition alone even though it is considered to be an extension of common sense. Hence, management is a combination of both an art and a science. The scientific approach lies in decision-making, planning and in the appropriate use of technology. The artistic approach to management can be found in the tasks of communicating, leadership and goal-setting. A few commonly used definitions of management are given below:

- Managing is an art or process of getting things done through the efforts of other people.
- Managing is the art of creation and maintenance of an internal environment in an enterprise where individuals, working together in groups, can perform efficiently and effectively towards the attainment of group goals.
- Management is the process of setting and achieving goals through the execution of five basic management functions (i.e. Planning, Organising, Staffing, Directing and Controlling) that utilise human, financial and material resources.
- Management is a process or an activity that brings together several varied resources like persons, materials, techniques and technologies to accomplish a task or tasks.
- Management, as a distinct field of study, is also the body of organised knowledge which underlies the art of management.

The above definitions and a study of management literature would reveal the following characteristics of management:

- Managing is an activity or process (not a person or group of persons);
- Management refers to both the discipline as well as group which manages the organisation;
- It makes things happen (and not let things happen);
- It is purposeful, i.e., the achievement of the organisation's goals and objectives is the supreme purpose;
- It uses available resources economically to maximise outputs;
- The organisation's objectives are accomplished by, with and through the efforts of others (group activity);
- Managing implies using certain skills, knowledge and practices to bring effectiveness;
- It is aided and not replaced by the computer; and
- It is intangible.

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## 1.3 SCIENTIFIC MANAGEMENT

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Scientific management is almost synonymous with the teachings and practices of Frederick W. Taylor (1850-1915). Throughout his life Taylor struggled to increase efficiency in production, not only to lower costs and raise profits but also to make possible increased pay for workers through higher productivity. Scientific management is the name given to the principles and practices that grew out of the work of Taylor and his followers (Carl George Berth, Henry L Gantt, Frank and Lillian Gilbreth, etc.) and that are characterised by concern for efficiency and systematisation in management. You may note that the management science is the application of mathematical modeling in managerial decision-making and is quite different from scientific management.

The schools of management thought are broadly divided into three parts, they are:

- 1) Classical Management Theory (1880's-1920's) which is organisation-centred and has dealt with the economic "rational man", and included scientific management, administrative management, (Henry Fayol, C.I. Barnard, L Urwick) and bureaucratic organisation (Max Weber).
- 2) Neoclassical Theory (1920's-1950's) which is person-centered and human-oriented and has emphasised the needs, behaviours and attitudes of individuals (i.e., "social person" view) and included human relations schools (Elton Mayo, F.J. Roethlisberger, W.J Dickson) and behavioural schools (Maslow, McGregor, Argyris, Herzberg, Lickert, Lewin).
- 3) Modern Management Theory (1950's-) which emphasises the complete employee view by revisionist researcher (Litchfield) which includes systems theory, contingency theory, organisational humanism and management science.

Modern management is characterised by a scientific approach, which involves:

- the application of scientific methods and analysis to managerial functions and problems;
- serious consideration of human elements in management, based on psychological studies and behaviour analysis in different situations;
- increasing emphasis on economic effectiveness in all management functions;
- a systems approach, focusing equal attention on all functions of management; and
- use of electronic computers for analysis and studies.

Beginning from the fifties of 20<sup>th</sup> Century, contributions have been made to management through disciplines such as mathematics, statistics and economics. Mathematical models have been designed and constructed for use in planning, decision making and forecasting. Operations research studies for operational efficiency, and econometric analysis for cost benefits and effectiveness, are some of the other scientific methods applied to management functions. The advent of computers and communications technologies has aided researchers in the development of the management information system. These have become vital components in scientific management.

Theories of leadership and organisation including human motivation and behaviour, organisation relationships and nature of authority of the psychological and sociological methods applied to studying personnel management. The systems approach has enriched management operations by unifying to achieve a common goal. Thus we see that modern management has drawn from studies and experiences from other disciplines and has successfully applied them to enhance productivity.

**Self Check Exercise**

**Note:** i) Write your answer in the space given below.

ii) Check your answer with the answers given at the end of this Unit.

1) Give your understanding of modern scientific management.

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## 1.4 LEVELS OF MANAGEMENT AND MANAGERIAL SKILLS

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A manager is anyone, at any level of the organisation, who directs the efforts of other people. S/he is the catalyst who makes things happen. It may be noted that the management of an organisation is performed at different levels. Although the distinctions are by no means clear it is useful to think of managers as being divided into three groups (or levels): (i) Supervisory (or- First line or Operational) Managers are those who directly oversee the efforts of those who actually perform the work. Performance of various routine tasks to obtain desired outputs of every unit and concomitant activities is taken care of at this level; (ii) Middle managers are above the supervisory level but subordinate to the most senior executives of the organisation; they have the responsibility to develop implementation strategies for the concepts determined by top management. Execution, supervision, monitoring and other related functions are taken care of by them; (iii) Top managers are the most senior executives of the organisation. Top managers are responsible for providing the overall direction of the organisation. They carry out planning, maintenance of relations with other agencies, policy making, standardisation, control, evaluation, resources mobilisation, etc. As far as libraries are concerned, often two hierarchies of management operate within libraries. One is that of the library, and the other is that of the organisation to which the library belongs.

Each level of management requires a different composition of managerial skills. Skill is an ability to translate knowledge into action that results in a desired performance. Normally, three kinds of basic skills are identified to be required by managers – (i) Technical skill is the ability to use specific knowledge, methods, processes, practices, techniques or tools of a speciality in performing the work; (ii) Human skill is the ability to interact with other persons successfully, i.e.,

ability to understand, work with, motivate and get along with other people; and (iii) Conceptual skill deals with ideas and abstract relationships. It is the mental ability to comprehend abstract or general ideas and apply them to specific situation. It requires a holistic approach to understand the relationship of parts to the whole, the whole to the parts and cause and effect. In other words, viewing the organisation as a whole and to see how the parts of the organisation relate to and depend on one another and the ability to imagine the integration and coordination of the parts of the organisation are essential for this skill.

The importance of these skills depends on levels of management. Technical skill is most important for supervisory level managers and becomes less important as the manager move up to the middle and top levels. Conceptual skill is increasingly important as manager moves up the levels of management. However, human skills are important at every level in the organisation. It may be noted here that there are other kinds of skills required for managers and they are not discussed here. For example, top and middle managers need to have diagnostic and analytical skills. Diagnostic skill is the ability to acquire, analyse and interpret information to determine the cause of change either in inputs or outputs or in the transformation process. Analytical skill (which is complimentary to diagnostic skill) is the ability to determine the cause of change and either to provide corrective action or take advantage of the situation.

All functions or elements of management (to be discussed in next section) will be common to all levels of management in some form or the other. However, the duties and responsibilities of the staff operating at different levels will vary. The chart given below indicates how these three levels of management share their duties and responsibilities as well as the skills required for them.

*Table showing levels of management, their responsibilities, duties & skills*

Skills	Levels	Duties & responsibilities
Conceptual	Top	Planning, Policy making, Quality control and Evaluation, Resources Mobilisation
Human	Middle	Execution of Activities, Supervision, Monitoring
Technical	Supervisory	Routine tasks, concomitant activities

In the above table, while all the activities are shared by the three levels of management, the proportion of responsibilities, duties and skills with reference to the activities vary. It should be noted, however that the system will work efficiently only if the three levels work in unison. Top management does very little routine operations, while the operational management level staff does not do much planning. But the middle level management is involved in both planning and routine operational work.

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## 1.5 MANAGERIAL FUNCTIONS

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We have already seen that there are several definitions given by experts to explain the meaning and scope of management. One way is to view management as a set of common processes or functions which, when carried out well, lead to organisational efficiency and effectiveness. These processes or functions have been broken down into a set of related elements forming a useful framework.

A function is a type of work activity that can be identified and distinguished from other work. Experts have identified several managerial functions as important elements of management. While Newman and Summer have identified four functions namely, organising, planning, leading and controlling, Henry Fayol has recommended five basic functions namely, planning, organising, commanding, coordinating and controlling. Most authors present the following five as the essential functions: planning, organising, staffing, directing and controlling. Luther Gulick and L. Urwick have coined an acronym for seven functions namely POSDCORB which stands for Planning, Organising, Staffing, Directing, Coordinating, Reporting and Budgeting. Some of these functions are presented and discussed here separately. It is important to remember that they are carried out simultaneously and concurrently. The view of this approach is that an organisation is a total system and these functional elements are interrelated and interdependent. The major advantage of separating and discussing these functional elements individually is that this provides a helpful means to examine the various threads that are interwoven into the fabric of what managers actually do.

### 1.5.1 Planning

Planning is a bridge taking us from where we are to where we want to reach. It is the process of determining in advance what should be accomplished and how to do it. In other words, it is an analytical process of establishing goals, objectives and targets, assessing the future, premising, generating and evaluating alternatives, selecting programs, projects or courses, estimating resources, preparing the plan document with derivative plans and implementing the plan.

Four important characteristics of planning are (i) The purpose of every plan and all derivative plans is to facilitate the accomplishment of enterprise purposes and objectives; (ii) Planning is the “first” function and logically precedes the execution of all other managerial functions; (iii) Managers at all levels are involved in planning; (iv) The efficiency of a plan is measured by the amount it contributes to the purpose and objectives as offset by the costs of other unsought consequences required to formulate and operate. In other words, planning is characterised by its primacy, efficient contribution to purpose and objectives and all pervasiveness. Some types of plan usually developed and operated include objectives (or goals), strategies (or grand plans), policies, procedures, rules, programs and budgets.

The process of developing a plan consists of a few logical and basic steps. Being aware of opportunities and a sort of SWOT (Strength, Weaknesses, Opportunities and Threats) analysis is the first step followed by establishing specific and clear objectives. The third logical step in planning is premising, i.e., taking note of planning assumptions. Establishing complete premises and keeping them up-to-date is a difficult and complex task. The success of a plan depends on the degree of accuracy in premising. The fourth step is to search for and examine alternative courses of action. The step is immediately followed by a systematic evaluation of alternative courses with the purpose of selecting the best course of action in the next step. The seventh step is formulating smaller derivative plans. The final step is to numberise the plan along with derivative plans by converting them into budgetary figures.

Many scientific techniques and models are available to determine the goals and objectives, assess future trends, formulate policies, choose among different alternatives (decision making), preparation and production of plans, etc. There are rational approaches and principles to follow in the planning process. A few of them, in addition to those mentioned above, are listed below:

- Planning should start with where we are (premising) rather than with where we want to be;
- Individuals involved in the planning process should agree to use consistent planning premises;
- Flexibility must be built into the plans;
- The plans must be closely integrated;
- The plans should be documented and distributed to all members of the management team;
- Planning has value only if it is transformed into action; and
- Plans should be reviewed periodically throughout the year.

Inputs to a plan have to come from every unit of the organisation to ensure the involvement and participation of the staff working at the operation supervisory level, besides the top management which is more directly connected with the planning process and responsible for it.

A plan document provides a directive course of executive action incorporating every aspect of the development of the organisation. Policies are framed to help the implementation process. Every plan has to fit into a time frame annual, five year, long range or perspective - and also has to be flexible to accommodate any unanticipated change at any point of time.

The significance and advantages of planning are:

- it offsets uncertainty and change;
- provides a framework for execution and direction; focuses attention on objectives;
- improves services, leads to operations and facilitates control;
- ensures rational and effective development;
- permits the anticipation and future resources needs; and
- brings the skills and experience of staff members to the planning process.

### **1.5.2 Organising**

Organising is the process of prescribing formal relationships among people and resources (i.e., personnel, raw materials, tools, capital, etc.) to accomplish the goals.

Organising involves:

- analysing the entire activities of an organisation into homogeneous types of works and jobs;
- sorting and grouping the resulting works and jobs into a logical structure;
- assigning these activities to specific positions and persons; and
- providing a means for coordinating the efforts of individuals and groups.

The term organisation refers to both the process of organisation and the result of that process. Organisation refers to the structure which results from (i) assembling the resources necessary to achieve the organisation objectives, (ii) identifying and grouping work, (iii) defining and delegating responsibility and authority, and (iv) establishing activity-authority relationships. In other words, organisation differentiates and integrates the activities necessary to achieve the objectives. Activities are grouped into working divisions, departments, or other identifiable units primarily by clustering similar and related duties. The result is a network of interdependent units.

Organisational structures usually comprise departments, divisions, sections, units or cells, obtained on the basis of division of works and jobs, These structural patterns reflect horizontal and vertical positions, indicating distribution of work, authority and responsibility, span of control, nature of duties, outflow of work, means for evaluation of work output, staff discipline mechanism, smooth flow, functional points and coordination points, etc.

Studies have been conducted to develop techniques for activity and workload analysis, work and job analysis, job definitions and descriptions, models of organisational structure and similar others. Organisation charts, block diagrams, work flow charts, etc., portray the functions of an organisation vividly, indicating its managerial strength. Some basic principles of organising are listed below:

- The key activities should be clearly defined;
- The activities should be grouped on some logical basis;
- The responsibilities of each division, department, unit and job should be clearly defined;
- Authority should be delegated as far down in the organisation as possible;
- Responsibility and authority should be made equal;
- The number of persons reporting to each manager should be reasonable;
- The organisation should be designed to provide stability, flexibility, perpetuation and self-renewal; and
- The organisation structure should be evaluated on the basis of its contribution to enterprise objectives.

Libraries are generally organised on the basis of their functions, viz., collection development, technical processing, users' services, etc. But, they can be organised on the basis of user groups served, subjects/areas handled, products and services generated, or a combination of these. However, organisational structure varies according to the types of libraries, viz., national, public, academic and special libraries.

### 1.5.3 Staffing

If organisational structure creates positions at different levels for performing various functions, staffing deals with providing the right type of persons to man them. Indeed persons are the key to the effective functioning of any organisation. In fact, the real strength of an organisation is its personnel; they can make or mar the organisation.

Staffing is the formal process of ensuring that the organisation has qualified workers available at all levels to meet its short and long term objectives. This function includes (i) Human resource planning (ii) Recruitment and selection (iii) Training and development (iv) Rewards and compensations (v) Health and safety (vi) Career planning and management (vii) Employee assistance, coaching and orientation (viii) Performance appraisal. Some important basic concepts of staffing are job analysis, job description, job specification, job enlargement and job enrichment (see key words at the end of the unit).

Personnel management has assumed very great importance in modern management studies. Attention is increasingly given to composition of staff, their types and levels, proper recruitment methods and procedures, work distribution and assignment, staff training and development, salary, status and career development opportunities, incentives and other related aspects.

With the increasing complexities of libraries and the services they are expected to offer, the staffing pattern is constantly changing. Different categories of specialists are being recruited to operate at various levels in libraries. Staff function and personnel management are discussed in more detail in Human Resource Management in Block 4.

#### **1.5.4 Directing**

Directing is the managerial function concerned with the interpersonal aspect of managing by which subordinates are led to understand and contribute effectively and efficiently to the attainment of enterprise objectives. It is aimed at getting the members of the organisation to move in the direction that will achieve its objectives. In other words, directing is the managerial function that enables managers to get things done through persons, both individually and collectively. Directing is related to staffing in the sense that these two functions are concerned with the employees of the organisation. While staffing is concerned with providing and maintaining human resources, directing deals with leading and motivating the human resources to give out the best. It is the most interpersonal aspect of management. Directing is closely related to the communicating function and motivating; actuating and leading are sub-functions of directing (see key words at the end of this Unit).

Directing is not the singular function of the top management. In fact, it pervades the organisation at all supervisory levels. This calls for good interpersonal communication, both oral and written. Written communications are often through memos, letters, reports, directives, policy guidelines, staff and work manuals and similar others. It is essential to get them drafted unambiguously to give proper direction to the employees. This is supported by oral communication, formally at staff meetings and informally on other occasions.

It is necessary to note some important principles of directing. The more effective the directing process, the greater will be the contribution of subordinates to organisational goals (the principle of directing objective) and the more individuals perceive that their personal goals are in harmony with enterprise objectives (the principle of Harmony of Objectives). The more completely an individual has a reporting relationship to a single superior, the less the problem of conflict in instructions and the greater the feeling of personal responsibility for results (the principle of Unity of Command). Interestingly, reporting is the converse function

of directing. In other words, between two persons in the hierarchy, if A directs B, then B reports to A.

### 1.5.5 Controlling

Another important aspect of directing is exercise of control over the system. Control does not merely mean restrictions or restraints to be forced on the system, but they are guidelines for the organisation to perform according to set standards of efficiency and quality. What is implied in this is, accountability, and the obligation of the staff at all levels, of reporting to a higher authority on their productivity both in terms of quality and quantity. But these would need yardsticks and measurement tools and techniques for evaluating performance. Thus, both directing and reporting are closely related to the controlling function.

In simple terms, controlling can be defined as the process of comparing actual performance with standards and taking any necessary corrective action. Hence, the control process consists of (i) establishment of standards (ii) measurement of performance, and (iii) correction of deviations. The standards may be physical standards, cost standards, revenue standards or even intangible standards. Some of the common traditional control measures are budgets, statistical data, special reports, breakeven point analysis, internal audit and personal observation. Other control measures include time-event network analysis like milestone budgeting, program evaluation and review techniques (PERT/CPM), programme budgeting, profit and loss control, return on investment (ROI) and general key result areas like profitability, market position, productivity, public responsibility, etc.

It has already been stated that establishing standards for quality, quantity, cost and time, measuring performance against set standards, and correcting deviations are the three basic steps involved in measurement of performance. Performance is closely related to techniques of operations and technology employed. Modern management uses techniques of Operations Research, Programme Evaluation and Review Technique (PERT) and Critical Path Method (CPM), system analysis and others for improving quality.

A good control system should be forward looking, objective, flexible, economical, understandable, reflect nature and needs of activity as well as the organisation pattern, promptly report deviations and exceptions at critical points and lead to corrective actions. The other important principles of controlling are listed below:

- Controls require a clearly defined organisational structure;
- Controls must be based on plans;
- Controlling is a primary responsibility of every manager charged with executing plans;
- The control itself should be exercised where the malfunction is likely to occur;
- Controls must focus on key variables;
- Controls must be meaningful and economical;
- Controls must provide accurate and timely feedback;
- Feed forward controls should be used to supplement feedback control; and
- Controlling requires action.

Devising effective control instruments for libraries is difficult due to their service and not-for-profit nature. In the absence of realistic, objective and precise standards for measuring performance, libraries resort to use of objectives, budgets, internal audit and the like.

### **1.5.6 Other Managerial Functions**

There are some more managerial functions other than the five most important elements discussed above. Motivating, actuating and leading are already mentioned as sub-functions of directing. In addition, communicating, delegating, coordinating, reporting, budgeting, innovating, influencing, representing, etc., are often mentioned as managerial functions. Let us try to understand some of them.

#### **Coordinating**

This is the process of linking several activities to achieve a functional whole in the organisation. In other words, it is the process of ensuring that persons who perform interdependent activities work together in a way that contributes to overall goal attainment. Coordinating is the management of interdependence in a work situation. It is much more than just cooperation and it involves an information giving function. We have learnt in the organising function that the work of an organisation is divided into various functional units and it is the coordinating function that ensures that all these units efficiently contribute to the objective. It is in the coordinating process that a manager has to act like a leader and her/his leadership skills are put to test. The best coordination occurs when individuals see how their jobs contribute to the goals of the organisation. To avoid splintering efforts, the dominant goal of the organisation should be clearly defined and communicated to everyone concerned. Goals of subordinate departments should be designed to contribute to the goals of the organisation. Coordination calls for skill of leadership, communication and delegation.

#### **Communicating**

As mentioned earlier, communicating is the transfer of information, ideas, understanding or feeling between people. In other words, it is the process of passing information and understanding from one person to another. It needs no further emphasis amongst library and information people. Communication is an all-pervasive phenomenon. Librarians have to communicate with each other in issuing or responding to directives and in carrying out the functions of management. They also communicate continuously with users and authorities. Communication, both written and oral, is used to obtain and give information for planning and decision making. Even though it may be outside the scope of this unit, you may note that there are many obstacles or barriers to effective communication.

#### **Reporting**

It has already been said that reporting is converse of directing. Reporting serves the purpose of keeping authorities and the public at large informed about the performance, achievements and shortfalls for a specific period. This function not only helps with a healthy self assessment but also by maintaining good public relations. Libraries usually generate a great amount of statistical data and reports.

**Budgeting**

The budget is one of the plan documents. It is a statement of planned allocation of resources expressed in financial or numerical terms. Budgeting includes financial planning, accounting and controlling. Budgeting techniques and budget preparation are discussed in greater detail in Units 10 and 11.

**Innovating**

As every organisation has to constantly grow bigger and better, innovation becomes an important function of a manager. Innovation means creating new ideas which may either result in the development of new products or finding the new user for the old ones.

**Representing**

Today’s manager is required to spend a part of his time representing his organisation before various outside groups (stake holders) like Government officials, labour unions, financial institutions, suppliers, customers, etc.

Lastly it is neither desirable nor feasible to list and explain all other managerial functions. Many of them are closely related to and even overlapping with the functions discussed so far.

**Self Check Exercises**

**Note:** i) Write your answers in the space given below.

ii) Check your answers with the answers given at the end of this Unit.

2) State five important managerial functions and indicate their significance in effective management.

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3) What is directing? State the sub functions of “directing”.

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**1.6 GENERAL PRINCIPLES OF MANAGEMENT**

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Thinkers, experts and writers on scientific management have evolved useful principles to have practical guidance for management operations. In this section some basic principles provided by F.W Taylor, Henry Fayol and Charles Barnard,

respectively representing scientific management school, operational management theory and systems theory, are presented.

### 1.6.1 Taylor's Principles

The fundamental principles that Taylor saw underlying the scientific approach to management may be summarised as follows:

- Replacing rules of thumb with science (organised knowledge);
- Obtaining harmony in group action, rather than discord;
- Achieving cooperation of human beings, rather than chaotic individualism;
- Working for maximum output, rather than restricted output; and
- Developing all workers to the fullest extent possible for their own and their company's highest prosperity.

It may be noted that these basic principles of Taylor are not far from the fundamental beliefs of the modern manager, even though some of the techniques Taylor and his colleagues and followers developed in order to put his philosophy and principles into practice, had certain mechanistic aspects.

### 1.6.2 Fayol's Principles

Noting that the principles of management are flexible, not obsolete and must be usable regardless of changing and special conditions, Fayol listed fourteen principles based on his experience. They are summarised below:

- **Division of work:** Specialisation allows workers and managers to acquire an ability, sureness, and accuracy which will increase output. More and better work will be produced with the same effort.
- **Authority:** The right to give orders and the power to exact obedience are the essence of authority. Its roots are in the person and the position. It cannot be conceived of apart from responsibility.
- **Discipline:** Discipline is composed of obedience, application, energy, behaviour and outward marks of respect between employers and employees. It is essential to any business. Without it no enterprise can prosper. It is what leaders make it.
- **Unity of command:** For any action whatsoever, an employee should receive orders from one superior only. One person, one boss. In no case is there adaptation of a social organism to a duality of command.
- **Unity of direction:** One head and one plan should lead a group of activities. It is necessary that all sing the same objective and that is one head, one plan.
- **Subordination of individual interest to general interest:** The interest of one person or group in a business should not prevail over that of the organisation.
- **Remuneration of personnel:** The price of services rendered should be fair and should be satisfactory to both employees and employer. A level of pay depends on an employee's value to the organisation and on factors independent of an employee's worth - such as cost of living, availability of personnel and general business conditions.

- **Centralisation:** Everything that serves to reduce the importance of an individual subordinate's role is centralisation. Everything that increases the subordinate's importance is decentralisation. All situations call for a balance between these two positions.
- **Scalar chain:** The chain formed by managers from the highest to the lowest is called a scalar chain or chain of command. Managers are the links in the chain. They should, communicate to and through the links. Links may be skipped or circumvented only when superiors approve and a real need exists to do so.
- **Order:** This principle is the simple advocacy of a place for everyone, and everyone in her/his place; a place for everything, and everything in its place. The objective of order is to avoid loss and waste.
- **Equity:** Kindliness and justice should be practised by persons in authority to extract the best that their subordinates have to give.
- **Stability of tenure of personnel:** Reducing the turnover of personnel will result in more efficiency and fewer expenses.
- **Initiative:** People should be allowed the freedom to propose and to execute ideas at all levels of an enterprise. A manager who is able to permit the exercise of initiative on the part of subordinates is far superior to one who is unable to do so.
- **Esprit De Corps:** In unity there is strength. Managers have the duty to promote harmony and to discourage and avoid those things that disturb harmony.

### 1.6.3 Barnard's Principles

Along with scientific management and the manager's tasks, many scholars and practitioners were thinking about experimenting with, and writing on, industrial psychology and on social theory both of which, in many instances, were stimulated by the scientific management movement. We can get the flavour of these developments by looking briefly at the emergence of industrial psychology, the growth of personnel management, and the development of a sociological approach to human relations and management.

In determining that the task of executives (by which he meant all kinds of managers) was one of maintaining a system of cooperative effort in a formal organisation, Barnard addressed herself/himself first to the reasons for, and the nature of, cooperative systems. The logic of her/his analysis can be seen in the following steps.

Physical and biological limitations of individuals lead them to cooperate, to work in groups; while the basic limitations are physical and biological, once people cooperate, psychological and social limitations of individuals also play a part in inducing cooperation.

The act of cooperation leads to the establishment of a cooperative system in which physical, biological, personal, and social factors or elements are present. S/he also makes the point that the continuation of cooperation depends on effectiveness (does it accomplish the cooperative purpose?) and efficiency (does

it accomplish the purpose with a minimum of dissatisfaction and costs to cooperating members?). Any cooperative system may be divided into two parts: “organisation” which includes only the interactions of people in the system, and other elements.

Organisations can in turn be divided into two kinds: the “formal” organisation which is that set of consciously coordinated social interactions that have a deliberate and joint purpose, and the “informal” organisation which refers to those social interactions without a common or consciously coordinated joint purpose. The formal organisation cannot exist unless there are persons who (a) are able to communicate with one another, (b) are willing to contribute to group action, and (c) have a conscious common purpose.

Every formal organisation must include the following elements:(a) a system of functionalisation so that people can specialise (that is, various forms of departmentalisation), (b) a system of effective and efficient incentives that will induce people to contribute to group action, (c) a system of power (authority) which will lead group members to accept the decisions of executives, and (d) a system of logical decision making. The executive functions enter the process through the work of the executive in integrating the whole and in finding the best balance between conflicting forces and events.

To make the executive effective requires a high order of responsible leadership as Barnard so well emphasises, “Cooperation”, not leadership, is the creative process, but leadership is the indispensable culminator of its forces. Bernard’s thesis is a social systems approach, concentrating on major elements of the managerial job, containing extraordinary insights on decision making and leadership.

**Self Check Exercise**

- Note:** i) Write your answer in the space given below.  
ii) Check your answer with the answers given at the end of this Unit.
- 4) State the Principles of Fayol.

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**1.7 SUMMARY**

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This Unit covered the following subjects:

- The meaning, purpose and scope of scientific management and its relevance to library management.
- Different levels of management and different managerial skills needed at each level.

- Scientific analysis and methods applied to modern management with indications of their applications to library functions and work.
- Managerial functions like planning, organising, staffing, directing and controlling are discussed with some principles, illustrations of techniques and methods developed.
- Principles of scientific management those are applicable as guidelines to all aspects of management.
- Some illustrative examples of scientific methods, tools and techniques to organise and manage modern libraries.

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## 1.8 ANSWERS TO SELF CHECK EXERCISES

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1) Modern scientific management involves:

- A systematic analysis of the functions and activities of an organisation into smaller workable units based on a set of logical principles and also synthesising these smaller workable units into a coherent system of operational efficiency.
- A human approach in dealing with the staff, as the staff constitute the real backbone of an organisation.
- Obtaining optimal efficiency and productivity by cutting down cost in terms of money and time.
- An integrated approach in operating the different units as every activity of an organisation is a component of the total system; the best performance of each one of them is of primary importance to achieve desired results.

For all these, management draws from several other disciplines to, work out the principles and practices.

2) Five important managerial functions are:

i) Planning, ii) Organising, iii) Staffing, iv) Directing, and v) Controlling

These elements represent the major functional components of the management process. Each one of these major components is further analysed, into sub-components to streamline actual performance. While each one of these components is viewed separately for the sake of convenience, the inter-relationships and interdependencies necessitate their concurrent and simultaneous operation.

3) Directing is getting things done through persons, individually and collectively. It is a process of exercising control over the system by providing guideline to performance according to set standards of efficiency and quality. It also calls for good interpersonal relationship and effective leadership. Three subfunctions of directing are motivating, actuating and leading.

4) Fayol enunciated the following fourteen principles:

- i) Division of work: Specialisation allows workers and managers to acquire an ability, sureness, and accuracy which will increase output.

- ii) Authority: The right to give orders and the power to exact obedience are the essence of authority. Its roots are in the person and the position. It cannot be conceived of apart from responsibility.
- iii) Discipline: Discipline is composed of obedience, application, energy, behaviour and outward marks of respect between employers and employees.
- iv) Unity of command: For any action whatsoever, an employee should receive orders from one superior only. One person, one boss.
- v) Unity of direction: One head and one plan should lead a group of activities having the same objective.
- vi) Subordination of individual interest, to general interest: The interest of one person or group in a business should not prevail over that of the organisation.
- vii) Remuneration of personnel: The price of services rendered should be fair and should be satisfactory to both employees and employer.
- viii) Centralisation: Everything that serves to reduce the importance of an individual subordinate's role is centralisation. Everything that increases the subordinate's importance is decentralisation. All situations call for a balance between these two positions.
- ix) Scalar chain: The chain formed by managers from the highest to the lowest is called the scalar chain or the chain of command. Managers are the links in the chain.
- x) Order: This principle is simple advocacy of a place for everyone, and everyone in his or her place; a place for everything, and everything in its place. The objective of order is to avoid loss and waste.
- xi) Equity: Kindliness and justice should be practised by persons in authority to extract the best that their subordinates have to give.
- xii) Stability of tenure of personnel: Reducing the turnover of personnel will result in more efficiency and fewer expenses.
- xiii) Initiative: People should be allowed the freedom to propose and to execute ideas at all levels of an enterprise. A manager who is able to permit the exercise of initiative on the part of subordinates is far superior to one who is unable to do so.
- xiv) Esprit De Corps: In unity there is strength. Managers have the duty to promote harmony and to discourage and avoid those things that disturb harmony.

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## 1.9 KEY WORDS

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- Breakeven Analysis** : An approach used to determine the amount of a particular product that must be sold if the firm has to generate enough revenue to cover costs.
- Communication** : The transfer of information, ideas, understanding or feelings between people.

- CPM (Critical Path Method)** : A planning and control technique that; involves the display of a complex project as a network with a onetime estimate used for each step in the project.
- Effectiveness** : The degree to which the process produces, the intended outputs. (The relationship between a responsibility centre's output and its objectives. The more these outputs contribute to the objectives, the more effective the unit is).
- Efficiency** : The proportional relationships between the quality and quantity of input and the quality and quantity of output produced or the ratio of output to input.
- Job Analysis** : The process of determining the skills and knowledge required for performing jobs in the organisation
- Job Description** : A document that provides information regarding the tasks, duties and responsibilities of the job.
- Job Specification** : A statement of the minimum acceptable qualifications that a person should possess to perform a particular job.
- Job Enlargement** : Changes in the scope of a job so as to provide greater variety to the worker.
- Job Enrichment** : Basic changes in the content and level of responsibility of a job so as to provide greater challenge to- the worker.
- Leadership** : The process by which a manager guides and influences the work of her/his subordinates (or influences others to do what the leader wants them to do).
- Linear Programming** : A mathematical simulating method and process of calculating, evaluating and programming optimum path of action, process or operation for management consideration.
- Management Information:** Collective term reporting to any advanced organisational (electronic, mechanical; modular, evolutionary) communication device, process, network, or system that is capable of generating recording, storing, and making available information and data as required by management for planning; organising, decision making and control.
- Marketing Technique** : The systematic gathering, recording and analysing of data about problems relating to marketing of goods and services.

- Motivation** : Arousing the desire in the minds of workers to give of their best to the enterprise, i.e., an act of stimulating or inspiring workers.
- Network Analysis** : Planning, scheduling, monitoring and evaluation of systems for management.
- Operations Research (OR)**: A management function and process of studying organisational activities and problems with the framework of mathematical, statistical and related scientific methods or processes in order to develop, test and apply models and methods of planning, forecasting, solving problems and decision making.
- Programme Evaluation** : A computer implemented planning and control system designed to help top management in planning, research, problem solving, decision, making and control of organisational process.
- Queuing Theory** : A form of probability theory used by management to determine and/or to develop optimum methods of handling relationships between units, locations, events, facilities or activities to avoid delays.
- Simulation Techniques** : A computer technique to create a model by assuming General Principles of Management or imitating a particular method, appearance, form or shape.
- Systems Analysis** : The scientific study and analysis of all related aspects of an organisational management system to determine the necessary steps for continuation, improvement or correction.

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## 1.10 REFERENCES AND FURTHER READING

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