

11th
Edition

Principles and Practice of **MANAGEMENT**

L.M. Prasad



Sultan Chand & Sons

Principles and Practice of Management

L.M. PRASAD

Ex-Professor and Head

Department of Business Management
Purvanchal University, Jaunpur (U.P.)



Sultan Chand & Sons®
Educational Publishers
New Delhi

SULTAN CHAND & SONS®

Educational Publishers

23, Daryaganj, New Delhi-110 002

Phones : 011-23281876, 23266105, 41625022 (*Showroom & Shop*)

011-23247051, 40234454 (*Office*)

E-mail : sultanchand74@yahoo.com; info@sultanchandandsons.com

Fax : 011-23266357; Website : www.sultanchandandsons.com

ISBN : 978-93-91820-87-9 (TC 209)

Price : ₹ 650.00

First Edition: 1979

Tenth Edition: 2020; Reprint: 2021, 2022, 2023, 2024

Eleventh Edition: 2025

EVERY GENUINE COPY OF THIS BOOK HAS A HOLOGRAM

In our endeavour to protect you against counterfeit/fake books, we have pasted a copper hologram over the cover of this book. The hologram displays the full visual image, unique 3D multi-level, multi-colour effects of our logo from different angles when tilted or properly illuminated under a single light source, such as 3D depth effect, kinetic effect, pearl effect, gradient effect, trailing effect, emboss effect, glitter effect, randomly sparking tiny dots, micro text, laser numbering, etc.

A fake hologram does not display all these effects.

Always ask the bookseller to put his stamp on the first page of this book.



All Rights Reserved: No part of this book, including its style and presentation, may be reproduced, stored in a retrieval system, or transmitted in any form or by any means—electronic, mechanical, photocopying, recording or otherwise without the prior written consent of the Publishers. Exclusive publication, promotion and distribution rights reserved with the Publishers.

Warning: The doing of an unauthorised act in relation to a copyright work may result in both civil claim for damages and criminal prosecution.

Special Note: Photocopy or Xeroxing of educational books without the written permission of Publishers is illegal and against Copyright Act. Buying and selling of pirated books is a criminal offence. Publication of key to this is strictly prohibited.

General: While every effort has been made to present authentic information and avoid errors, the author and the publishers are not responsible for the consequences of any action taken on the basis of this book.

Limits of Liability/Disclaimer of Warranty: The publisher and the author make no representation or warranties with respect to the accuracy or completeness of the contents of this work and specifically disclaim all warranties, including without limitation warranties of fitness for a particular purpose. No warranty may be created or extended by sales or promotional materials. The advice and strategies contained herein may not be suitable for every situation. This work is sold with the understanding that the publisher is not engaged in rendering legal, accounting, or other professional services. If professional assistance is required, the services of a competent professional person should be sought. Neither the publisher nor the author shall be liable for damage arising herefrom.

Disclaimer: The publisher have taken all care to ensure highest standard of quality as regards typesetting, proofreading, accuracy of textual material, printing and binding. However, they accept no responsibility for any loss occasioned as a result of any misprint or mistake found in this publication.

Author's Acknowledgement: The writing of a Textbook always involves creation of a huge debt towards innumerable author's and publications. We owe our gratitude to all of them. We acknowledge our indebtedness in extensive footnotes throughout the book. If, for any reason, any acknowledgement has been left out we beg to be excused. We assure to carry out correction in the subsequent edition, as and when it is known.

Printed at :Taj Press, Noida (UP).

Preface



Preface to the Eleventh Edition

Welcome to the 11th edition of *Principles and Practice of Management*. This edition continues to build on our commitment to reflect the latest advancements in management theory and practice. We are particularly excited to introduce a new chapter: “Role of Indian Ethos in Managerial Practice”. This chapter emphasizes the increasing relevance of integrating cultural and philosophical perspectives into contemporary management.

Indian traditions offer profound insights into ethical leadership and decision-making. This new chapter examines how concepts from Indian philosophy, such as *Dharma* and *Karma*, can complement modern management practices, providing a richer, more comprehensive approach to leadership and organizational behavior.

We believe this addition will encourage readers to explore how cultural values can enhance managerial effectiveness and foster a more inclusive and thoughtful approach to leadership. Thank you for your continued interest and support.

Editorial Team
Sultan Chand & Sons

Preface to the Tenth Edition

The demand for professionally qualified managers in India is increasing day-by-day because of rapid industrialization and growing competition. To achieve professional competence, managers, both present and prospective, are required to be fully equipped with management principles and how these principles can be put in practice. Since the days of rote learning which puts emphasis only on conceptual aspect are over, students of management require a text book which presents both management principles and their applications in actual organizational situations. The present text makes an attempt in this direction.

The efforts in this book have been aimed at articulating and systematizing the conceptual core of management. More particularly, these efforts have been directed to the following aspects: First, emphasis has been put on contemporary developments in management without neglecting the older contributions that have proved their worth over the years. Second, emphasis has been put on those topics of management which are believed to be rich in their applications for managers and their organizations, both at present and in future. Third, the book incorporates the latest management practices in Indian context so that

the readers can appreciate how Indian companies are applying various concepts developed in the field.

Organization of the Text

The book follows the management process approach for presenting textual materials. Based on this approach, the book contains seven parts: Out of these, the first part deals with conceptual framework of management and subsequent five parts deal with planning, organizing, staffing, directing, and controlling. The seventh part deals with management practices of prominent countries and business leaders. Besides these parts, there are two appendixes: the first dealing with learning through cases and second dealing with method of scoring and score interpretation of awareness developer given in each chapter.

Changes in the present Edition

The book in its tenth edition has been thoroughly restructured and revised. All the chapters of the present edition have been re-written not only to incorporate the latest developments in management but also to make presentation of subject-matter more lucid and crisp. Chapter 3 of the previous edition (Managers and Environment) has been named as Management Challenges and Opportunities in the present edition so that proper focus is put on these issues. Thus, the present edition is ideally suited to management students as well as management practitioners, particularly those who have not gone through formal management education.

Acknowledgements

The subject-matter of the book has been adapted from various Indian and foreign books, journals, and websites. However, the emphasis has been put on Indian management practices. I feel indebted to all those writers and researchers whose thoughts and theories have been helpful in bringing out this edition. It is difficult to mention all these names in an exclusive manner. However, the prominent ones have been recognized in the form of references at appropriate places. I am thankful to numerous readers of the previous editions of the book who have favoured me with their valuable suggestions from time to time. An attempt has been made to incorporate these suggestions to the maximum possible extent in the present edition. I am sure that the readers of this edition will provide their feedback which will always be appreciated and acknowledged.

L.M. Prasad

Brief Contents

BC

	<i>Pages</i>	<i>Tables</i>	<i>Figures</i>	<i>Multiple Choice Ques.</i>	<i>Short Answer Ques.</i>	<i>Application Ques.</i>	<i>Awareness Developer</i>
Part I – Conceptual Framework of Management							
1. Introduction to Management	3	3	7	8	5	13	15
2. Development of Management Thought	35	3	2	5	5	12	8
3. Management Challenges and Opportunities	71	1	3	4	4	10	4
4. Social Responsibility and Ethics	97	–	2	5	4	9	10
Part II – Planning							
5. Fundamentals of Planning	121	2	4	9	6	15	10
6. Organizational Plans	147	2	6	6	6	12	10
7. Decision Making	179	2	3	4	4	11	10
Part III – Organizing							
8. Fundamentals of Organizing	207	1	3	10	7	18	6
9. Power and Authority	245	1	6	8	5	15	8
10. Conflict and Coordination	277	–	1	5	4	8	6
11. Organizational Change	295	–	3	5	4	9	8
Part IV – Staffing							
12. Fundamentals of Staffing	315	–	1	5	3	9	10
13. Employee Development and Performance Appraisal	333	2	–	7	4	10	7

	<i>Pages</i>	<i>Tables</i>	<i>Figures</i>	<i>Multiple Choice Ques.</i>	<i>Short Answer Ques.</i>	<i>Application Ques.</i>	<i>Awareness Developer</i>
Part V – Directing							
14. Fundamentals of Directing	357	2	1	5	3	11	8
15. Motivation	377	3	2	7	5	19	10
16. Leadership	409	5	7	6	4	17	15
17. Communication	437	1	3	6	6	7	21
Part VI – Controlling							
18. Fundamentals of Controlling	465	3	4	5	4	10	8
19. Control Techniques	487	1	3	7	4	13	6
Part VII – Management Practices							
20. Management Practices of Prominent Countries and Business Leaders	519	1	–	–	–	20	–
21. Role of Indian Ethos in Managerial Practice	535	–	–	–	–	11	–
<i>Appendices</i>	551	–	–	–	–	–	–
<i>Glossary</i>	557	–	–	–	–	–	–
<i>Subject Index</i>	567						
Total	568	33	61	117	87	259	180

Contents



<i>Preface</i>	<i>iii</i>
<i>Brief Contents</i>	<i>v</i>
<i>List of Case Studies</i>	<i>xix</i>
<i>List of Figures</i>	<i>xxi</i>
<i>List of Tables</i>	<i>xxiii</i>
<i>List of Exhibits</i>	<i>xxiv</i>

Part I – Conceptual Framework of Management

1. Introduction to Management	3 – 34
Concept of Management	5
Features of Management	6
Purpose of Management	7
Importance of Management	8
Scope of Management	8
Management <i>Versus</i> Administration	9
Nature of Management	11
Management as Science and Art	12
Management as a Profession	14
What Managers Do?	16
Management Functions	16
Management Roles	18
Management Responsibilities	20
Levels of Management	21
Top Management	21
Middle Management	22
Supervisory Management	22
Effective Management	23
McKinsey 7-S Framework	24
Management Skills	25
Characteristics of Quality Managers	27
Universality of Management	28

Arguments for Universality	29
Arguments against Universality	29
<i>Key Concepts for Review</i>	31
<i>Questions</i>	31
<i>Awareness Developer</i>	32
<i>References and Notes</i>	34
2. Development of Management Thought	35 – 70
Evolution of Management Thought	36
Classical Approaches	37
Early Contributions	37
Taylor’s Scientific Management	38
Fayol’s Administrative Management	41
Bureaucracy	46
Neoclassical Approaches	48
Human Relations Approach	48
Social Systems Approach	49
Decision Theory Approach	51
Behavioural Approach	52
Contemporary Approaches to Management	53
Quantitative Approach	54
Systems Approach	54
Contingency Approach	60
Contributions of Michael Porter	63
Contributions of C.K. Prahalad	63
Applying Management Theory in Practice	64
Why Theories Fail?	64
Value of Theory	65
Value of Experience	65
Role of Management Principles	65
<i>Key Concepts for Review</i>	66
<i>Questions</i>	67
<i>Awareness Developer</i>	67
<i>References and Notes</i>	70
3. Management Challenges and Opportunities	71 – 96
Environment of the Organization	72
Impact of Environment	73
Challenges for Managers in Twenty-first Century	75
Responding to Globalization	75
Integrating Mergers and Acquisitions	77
Managing Workforce Diversity	78
Improving Product Quality	79
Improving Customer Service	79
Working in Networked Organization	79
Improving People’s Skills	80
Enhancing Employee Well-Being at Workplace	80
Modern Management Techniques	80
Total Quality Management	80

Benchmarking	82
Business Process Reengineering	83
Business Outsourcing	84
Knowledge Management	85
E-Business	87
Approaches to Meet Environmental Challenges	91
<i>Key Concepts for Review</i>	93
<i>Questions</i>	93
<i>Awareness Developer</i>	93
<i>References and Notes</i>	95
4. Social Responsibility and Ethics	97 – 118
Social Responsibility of Business	98
Why Social Responsibility of Business?	99
Social Responsibility Towards Various Interest Groups	102
Making Social Responsibility Operational	103
Approaches for Measuring Social Performance	104
Social Audit	106
Operation of Social Responsibility in India	107
Business Ethics	108
Need for Business Ethics	109
Levels of Business Ethics	110
Tools of Business Ethics	111
Ethical Dilemma	111
Corporate Governance	113
Code of Corporate Governance	113
Benefits of Good Corporate Governance	114
Corporate Governance in India	114
<i>Key Concepts for Review</i>	115
<i>Questions</i>	115
<i>Awareness Developer</i>	116
<i>References and Notes</i>	118

Part II – Planning

5. Fundamentals of Planning	121 – 146
Concept of Planning	122
Nature of Planning	122
Importance of Planning	124
Planning Process	125
Types of Planning	127
Corporate Planning and Functional Planning	127
Strategic Planning and Operational Planning	128
Long-Term Planning and Short-term Planning	129
Approaches to Planning	130
Planning Premises	130
Types of Planning Premises	131
Making Premising Effective	132

Strategic Considerations in Planning	133
Barriers to Effective Planning	134
Making Planning Effective	136
Planning in Indian Organizations	138
Business Forecasting	139
Importance of Forecasting	139
Limitations of Forecasting	140
Techniques of Forecasting	141
<i>Key Concepts for Review</i>	142
<i>Questions</i>	143
<i>Awareness Developer</i>	144
<i>References and Notes</i>	145
6. Organizational Plans	147 – 176
Types of Plans	148
Hierarchy of Plans	149
Objective	149
Role of Objectives	150
Objective Setting	151
Management by Objectives	154
Strategy	158
Role of Strategy	159
Types of Strategies	160
Strategies for Global Business	161
Policy	166
Characteristics of a Sound Policy	167
Types of Policies	168
Policy Making	169
Procedure, Method and Rule	171
Procedure	171
Method	172
Rule	172
Programme and Budget	172
Programme	173
Budget	174
<i>Key Concepts for Review</i>	174
<i>Questions</i>	174
<i>Awareness Developer</i>	175
<i>References and Notes</i>	177
7. Decision-Making	179 – 204
Concept of Decision and Decision-making	180
Types of Decisions	181
Decision-Making Process	183
Effective Decision	185
Individual <i>Versus</i> Group Decision-making	187
Rationality in Decision-making	188
Decision-making Conditions	190
Approaches for Decision-making	193

Routine Approach	193
Scientific Approach	194
Quantitative Approach	194
Creative Approach	194
Techniques of Decision-making	195
Non-Quantitative Techniques of Decision-making	195
Quantitative Techniques of Decision-making	197
Decision Tree	198
<i>Key Concepts for Review</i>	200
<i>Questions</i>	201
<i>Awareness Developer</i>	201
<i>References and Notes</i>	203

Part III – Organizing

8. Fundamentals of Organizing	207 – 244
Concept of Organizing	209
Advantages of Organizing	210
Organization Structure	210
Formal and Informal Organizations	212
Design of Organization Structure	217
Factors Affecting Organization Structure	217
Features of a Good Organization Structure	221
Departmentation	222
Span of Management	225
Forms of Organization Structure	227
Functional Organization Structure	227
Divisional Organization Structure	229
Matrix Organization Structure	230
Team-Based Organization	232
Committee	235
Task Force	237
Free-Form Organization	238
<i>Key Concepts for Review</i>	240
<i>Questions</i>	240
<i>Awareness Developer</i>	242
<i>References and Notes</i>	244
9. Power and Authority	245 – 276
Concept of Power	246
Bases of Power	247
Authority	249
Responsibility	250
Accountability	250
Delegation of Authority	250
Steps in Delegation of Authority	251
Blocks to Effective Delegation	251

Measures for Effective Delegation	253
Centralization and Decentralization	254
Advantages of Centralization	255
Disadvantages of Centralization	255
Delegation and Decentralization: Difference	255
Factors Determining Degree of Decentralization	256
Advantages of Decentralization	257
Disadvantages of Decentralization	258
Making Decentralization Effective	258
Empowerment	259
Benefits of Empowerment	260
Barriers to Empowerment	260
Authority Relationship	260
Line and Staff Authority	261
Line and Staff Conflict	264
Overcoming Line-Staff Conflict	266
Service Department	267
Depiction of Authority Relationships	268
Organization Chart	268
Organization Manual	270
<i>Key Concepts for Review</i>	272
<i>Questions</i>	272
<i>Awareness Developer</i>	273
<i>References and Notes</i>	275
10. Conflict and Coordination	277 – 294
Concept of Conflict	279
Interpersonal Conflict	279
Reasons for Interpersonal Conflict	280
Intergroup Conflict	281
Reasons for Intergroup Conflict	281
Conflict Resolution	282
Coordination	283
Coordination and Cooperation	284
Need for Coordination	285
Role of Coordination in Organizational Performance	286
Types of Coordination	286
Techniques of Effective Coordination	287
Essentials of Effective Coordination	289
Principles of Coordination	290
<i>Key Concepts for Review</i>	291
<i>Questions</i>	291
<i>Awareness Developer</i>	291
<i>References and Notes</i>	293
11. Organizational Change	295 – 312
Nature of Organizational Change	296
Factors Necessitating Organizational Change	297
Planned Change	299

Objectives of Planned Change	300
Process of Planned Change	300
Human Response to Change	303
Resistance to Change	304
Overcoming Resistance to Change	306
Change Agents	307
Role of Change Agents	307
Change through Organization Development	308
<i>Key Concepts for Review</i>	309
<i>Questions</i>	309
<i>Awareness Developer</i>	310
<i>References and Notes</i>	312

Part IV – Staffing

12. Fundamentals of Staffing	315 – 332
Concept of Staffing	317
Human Resource Management	317
Importance of Staffing	318
Human Resource Planning	319
Importance of Human Resource Planning	319
Job Analysis	320
Job Description	320
Job Specification	321
Recruitment and Selection	321
Recruitment	321
Selection	324
Selection Tests	326
Placement and Orientation	329
<i>Key Concepts for Review</i>	330
<i>Questions</i>	330
<i>Awareness Developer</i>	330
<i>References and Notes</i>	332
13. Employee Development and Performance Appraisal	331 – 352
Career Development	334
Career Stages	335
Career Paths	336
Career Strategy	336
Career Development Programmes	337
Training and Development	337
Role of Training and Development	338
Identifying Training Needs	338
Training Methods	339
Evaluation of Training Effectiveness	342
Self-Development	343
Learning Organization	344
Performance Appraisal	345

Objectives of Performance Appraisal	345
Methods of Performance Appraisal	346
Barriers to Effective Performance Appraisal	349
Faulty Assumptions	350
Measures for Overcoming Barriers to Appraisal	351
<i>Key Concepts for Review</i>	352
<i>Questions</i>	352
<i>Awareness Developer</i>	353
<i>References and Notes</i>	354

Part V – Directing

14. Fundamentals of Directing	357 – 376
Concept of Directing	358
Importance of Directing	358
Principles of Directing	359
Elements of Directing	360
Supervision	361
Effective Supervision	361
Techniques of Directing	362
Directing and Human Factor	364
Models of Man	364
McGregor’s Theory <i>X</i> and Theory <i>Y</i>	366
Organizational Culture	368
Elements of Organizational Culture	369
Types of Organizational Culture	370
Impact of Organizational Culture	371
Creating and Maintaining Organizational Culture	372
<i>Key Concepts for Review</i>	373
<i>Questions</i>	373
<i>Awareness Developer</i>	374
<i>References and Notes</i>	376
15. Motivation	377 – 408
Concept of Motivation	378
Nature of Motivation	378
Types of Needs	379
Importance of Motivation	380
Theories of Motivation	380
Maslow’s Need Hierarchy	381
Herzberg’s Motivation-Hygiene Theory	382
McClelland’s Need Theory	384
Alderfer’s ERG Theory	384
Vroom’s Expectancy Theory	385
Equity Theory	385
Reinforcement Theory	387
Goal-Setting Theory	388
Theory <i>Z</i>	388

Contingency Approach of Motivation	389
Motivational Pattern in Indian Organizations	390
Motivational Applications	391
Designing of Reward System	391
Incentives	392
Financial Incentives	392
Non-Financial Incentives	395
Job Design	396
Job Enrichment	397
Quality of Work Life	399
Methods of Improving Quality of Work Life	399
Effects of Quality of Work Life	399
Job Satisfaction	400
Factors Affecting Job Satisfaction	400
Effect of Job Satisfaction	401
Morale Building	403
<i>Key Concepts for Review</i>	404
<i>Questions</i>	404
<i>Awareness Developer</i>	405
<i>References and Notes</i>	407

16. Leadership

409 – 436

Concept of Leadership	410
Difference between Leadership and Management	410
Formal and Informal Leaders	411
Importance of Leadership	411
Leadership Theories	412
Trait Theory	412
Behavioural Theory	413
Situational Theory	413
Systems Theory	414
Leadership Styles	415
Power Orientation	415
Leadership as a Continuum	417
Likert's Management Systems	418
Employee-Production Orientation	418
Managerial Grid	419
Tridimensional Grid	420
Fiedler's Contingency Model	422
Hersey-Blanchard's Situational Model	424
Path-Goal Model of Leadership	425
Leadership Styles in Indian Organizations	427
Inspirational Approach to Leadership	428
Charismatic Leadership	428
Visionary Leadership	430
Transformational Leadership	431
<i>Key Concepts for Review</i>	433
<i>Questions</i>	433
<i>Awareness Developer</i>	434
<i>References and Notes</i>	436

17. Communication	437 – 462
Concept of Communication	438
Communication Process	439
Two-way Communication	440
Significance of Communication	441
Communication Symbols	441
Oral Communication	441
Written Communication	443
Non-Verbal and Pictorial Communication	444
Communication Network	445
Formal Communication	445
Informal Communication or Grapevine	447
Rumour	448
Computer-Based Communication	449
Choice of Communication Channel	450
Direction of Communication Flow	451
Downward Communication	451
Upward Communication	451
Horizontal Communication	452
Barriers to Effective Communication	452
Semantic Barriers	452
Psychological Barriers	453
Organizational Barriers	453
Personal Barriers	454
Overcoming Barriers to Communication	455
Communication Pattern in Indian Organizations	457
Key Concepts for Review	458
Questions	458
Awareness Developer	459
References and Notes	461

Part VI – Controlling

18. Fundamentals of Controlling	465 – 486
Concept of Controlling	466
Nature of Controlling	467
Relationship between Planning and Controlling	467
Importance of Controlling	468
Controlling Process	469
Types of Control	470
Stages of Control	471
Control Areas	472
Management by Exception	474
Design of Effective Control System	475
Essentials of Effective Control System	476
Information Systems	478
Role of Information Systems in Controlling	478
Types of Information Systems	479

Behavioural Implications of Control	480
Causes of Resistance to Control	481
Overcoming Behavioural Problems	482
<i>Key Concepts for Review</i>	483
<i>Questions</i>	483
<i>Awareness Developer</i>	484
<i>References and Notes</i>	486

19. Control Techniques **487 – 516**

Control Techniques at Operations Level	489
Budgetary Control	489
Control Through Costing	493
Break-Even Analysis	494
Responsibility Accounting	495
Internal Audit	496
Quality Control	497
Quality Control Through Quality Circle	498
Inventory Control	501
Time-Event Network Analysis	503
PERT/CPM	504
Overall Control Techniques	506
Financial Ratio Analysis	506
Value Added	508
External Audit	508
Management Audit	509
Human Resource Accounting	509
<i>Key Concepts for Review</i>	512
<i>Questions</i>	512
<i>Awareness Developer</i>	513
<i>References and Notes</i>	515

Part VII – Management Practices

20. Management Practices of Prominent Countries and Business Leaders **519 – 534**

Recent Global Developments in the Field of Management	521
Best Management Practices of Global Business Leaders	522
Elon Musk (CEO of SpaceX and Tesla)	523
Satya Nadella (CEO of Microsoft)	523
Mary Barra (CEO of General Motors)	523
Tim Cook (CEO of Apple)	524
Sheryl Sandberg (COO of Facebook/Meta)	524
Sundar Pichai (CEO of Alphabet and Google)	524
Mukesh Ambani (Chairman and MD of Reliance Industries)	525
Ratan Tata (Former Chairman of Tata Group)	525
N. Chandrasekaran (Chairman of Tata Sons)	525
Azim Premji (Founder of Wipro Limited)	526
Indra Nooyi (Former CEO of PepsiCo)	526

Best Management Practices of Countries	526
United States	527
Germany	527
Japan	528
Sweden	529
India	530
China	530
<i>Key Concepts for Review</i>	531
<i>Questions</i>	531
21. Role of Indian Ethos in Managerial Practice	535 – 550
Management Lessons from the <i>Vedas</i>	537
Integrating <i>Vedic</i> Lessons into Modern Management	538
Management Lessons from the Mahabharata	538
Integrating <i>Mahabharata</i> Lessons into Modern Management	540
Management Lessons from <i>Kautilya's Arthashastra</i>	540
Integrating <i>Arthashastra</i> Lessons into Modern Management	542
Management Ethics vs. Management Ethos: Understanding the Difference	543
Management Ethics	543
Management Ethos	544
Key Differences	544
Integrating Ethics and Ethos in Management	544
Management Ethics Examples	545
Management Ethos Examples	545
Integrating Ethics and Ethos	545
Indian vs. Western Management – Contemporary Issues in Management	546
Integration and Strategic Alignment	547
<i>Key Concepts for Review</i>	547
<i>Questions</i>	547
Appendix	551 – 556
<i>Appendix 1: Learning through Cases</i>	551
Guidelines for Case Analysis	551
Guidelines for Case Discussion	553
Role of Instructor in Case Discussion	553
<i>Appendix 2: Method of Scoring and Score Interpretation of Awareness Developer</i>	554
Glossary	557-566
Subject Index	567-568

List of Case Studies



1.1 : Growth Story of GCMF (AMUL)	3	7.1 : Strategic Expansion: Marico's Path to Diversification and Market Leadership	179
1.2 : Management Processes and Challenges at Reliance Jio	33	7.2 : Strategic Decision-Making and Implementation Excellence: A Case Study of Mahindra & Mahindra Limited	202
2.1 : Management Principles of Wipro Limited	35	8.1 : Organizational Structure of Hindustan Unilever Limited (HUL)	207
2.2 : Management Evolution in Infosys Ltd.	68	8.2 : TechGen Solutions: Innovating Through Structure and Strategy	242
2.3 : Embracing New Management Paradigms at Mahindra & Mahindra Ltd.	69	9.1 : Empowering Excellence: Power and Authority Dynamics at Gamma Pharmaceuticals Pvt. Ltd.	245
3.1 : Perception of Environment at Hindustan Unilever Ltd. (HUL)	71	9.2 : Tata Group: Navigating Power and Authority in a Global Arena	273
3.2 : Navigating Success: Management Challenges and Growth Opportunities at Titan Company Limited	94	10.1 : Conflict Resolution and Coordination at Delta Motors Pvt. Ltd.	277
4.1 : Satyam Scandal – Ethical Breach and Corporate Fallout	97	10.2 : Effective Conflict Management at Omega Technologies Pvt. Ltd.	292
4.2 : Tata Group's Ethical Leadership and Social Responsibility	116	11.1 : Organizational Change Management at Infosys Limited	295
5.1 : Strategic Planning and Operational Excellence: A Case Study of Tata Motors	121	11.2 : Navigating Conflict and Coordination at Byju's: A Case Study in Edtech Growth	310
5.2 : Driving Growth and Innovation: The Strategic Planning Approach of Hindustan Unilever Limited	144	12.1 : Human Resource Planning at Hindustan Unilever Limited (HUL)	315
6.1 : Driving Performance Excellence: Tata Steel's Approach to Management by Objectives (MBO)	147	12.2 : Inefficient Human Resource Management at TechVista India	331
6.2 : Driving Growth and Sustainability: The Strategic Framework of Hindustan Unilever Limited	175		

13.1 : Training and Development at Tata Steel Limited	333	17.2 : Harnessing Effective Communication for Global Success at ABC Global	459
13.2 : Enhancing Performance Appraisal at Bharti Airtel	353	18.1 : Control System at Byju's	465
14.1 : Guiding Principles of Excellence: Insights into Infosys Ltd.	357	18.2 : XYZ Pharmaceuticals: Achieving Operational Excellence	484
14.2 : Navigating Leadership: Chandrasekaran's Direction at Tata Consultancy Services (TCS)	374	19.1 : Budgetary Control at Ashok Leyland	487
15.1 : Motivation Principles at Reliance Industries Ltd.	377	19.2 : Optimizing Inventory Control for Growth and Efficiency at XYZ Pvt. Ltd.	513
15.2 : Navigating Leadership and Motivation: Insights from XYZ Manufacturing Ltd.	405	20.1 : Driving Global Leadership: Tata Group's Management Practices and Strategic Solutions	519
16.1 : Leadership Qualities of Ratan Tata	409	20.2 : Apple Inc.'s Exemplary Management Practices	532
16.2 : Transformational Leadership at Infosys Ltd.: Navigating Global Challenges and Innovating for the Future	435	21.1 : Embracing Indian Ethos in XYZ Pharmaceuticals	535
17.1 : Enhancing Project Success through Effective Communication at ABC	437	21.2 : Aditya Birla Group – Integrating Ancient Wisdom into Modern Management	548

List of Figures



1.1 : Management as a Continuous Process	6	6.2 : Process of MBO	155
1.2 : Administrative and Managerial Functions	10	6.3 : Process Continuity Aspect of MBO	156
1.3 : Policy formulation and Execution Functions of Management	11	6.4 : Types of Strategies	160
1.4 : Management Roles	18	6.5 : Strategies for Global Business	162
1.5 : Reconciling Management Functions and Roles	20	6.6 : Elements of Strategic Management Process	166
1.6 : Levels of Management	21	7.1 : Decision-making Process	183
1.7 : McKinsey 7-S Framework	24	7.2 : Decision-making Conditions	191
2.1 : Functional Foremanship	39	7.3 : Decision Tree	199
2.2 : Scalar Chain and Gang Plank	44	8.1 : Functional Organization Structure	228
3.1 : Continuum of Environmental Complexity and Variability	73	8.2 : Divisional Organization Structure	229
3.2 : Impact of Environment on Organization	74	8.3 : Matrix Organization Structure	231
3.3 : Types of Benchmarking	82	9.1 : Response to the Use of Power	247
4.1 : Mistaken View of Business Responsibility	101	9.2 : Bases of Power	248
4.2 : Realistic View of Business Responsibility	101	9.3 : Staff Authority Continuum	262
5.1 : Primacy of Planning	123	9.4 : Functional Authority Relationship	264
5.2 : Planning for Bridging Gap between Current and Desired Status	123	9.5 : Top-down Organization Chart	269
5.3 : Planning at Various Levels of Management	124	9.6 : Left to Right Organization Chart	269
5.4 : Planning Process	126	10.1 : Coordination: The Essence of Management	284
6.1 : Hierarchy of Organizational Plans	149	11.1 : Factors in Planned Change	299
		11.2 : Process of Planned Change	301
		11.3 : Lewin's Field of Forces	302
		12.1 : Linkage of Recruitment to Human Resource Acquisition	321
		14.1 : Process of Creation of Organizational Culture	372

15.1 : Maslow's Need Hierarchy	381	17.2 : Communication Network	445
15.2 : Relationship between Models of Maslow and Herzberg	384	17.3 : Information Richness of Communication Channels	451
16.1 : Continuum of Leadership Styles	417	18.1 : Planning and Controlling Relationship	467
16.2 : Ohio State University Leadership Quadrants	419	18.2 : Controlling Process	469
16.3 : Managerial Grid	419	18.3 : Control Range	469
16.4 : Task and Relationship Orientation	420	18.4 : Stages of Control	471
16.5 : More and Less Effective Styles	421	19.1 : Break-even Chart	494
16.6 : Fiedler Model of Leadership	423	19.2 : Control Chart	498
16.7 : Path-goal Leadership Process	425	19.3 : Gantt Chart	504
17.1 : Communication Process with Feedback	439		

List of Tables

1.1 : Difference between Administration and Management	10	14.1 : Management Processes with Theories X and Y	368
1.2 : Comparison of Three Management Levels	23	14.2 : Organizational Practices in High-and Low-performing Organizational Culture	371
1.3 : Difference between Efficiency and Effectiveness	23	15.1 : Various Types of Inputs and Outcomes	386
2.1 : Approaches to Management	37	15.2 : Types of Incentives	392
2.2 : Dissimilarity between Contributions of Taylor and Fayol	46	15.3 : Job Enrichment Bases	397
2.3 : Difference between Open and Closed Systems	56	16.1 : Likert's Management Systems Showing Leadership Behaviour	418
3.1 : Pre and Post-liberalized Situations and Management Practices	91	16.2 : Leadership Styles and Situations	426
5.1 : Types of Planning	127	16.3 : Key Characteristics of a Charismatic Leader	429
5.2 : Identifying Priority Environmental Factors	132	16.4 : Key Characteristics of a Transactional Leader	432
6.1 : Policy vs. Strategy	167	16.5 : Difference between Transactional and Transformational Leadership	432
6.2 : Policy vs. Procedure	172	17.1 : Differences between Formal and Informal Communications	449
7.1 : Outcomes in Different Decision-making Conditions	191	18.1 : Difference between Strategic Control and Operational Control	471
7.2 : Payoff	192	18.2 : Control Activities at Different Management Levels	474
8.1 : Formal and Informal Organizations: A Comparison	214	18.3 : Roles, Functions, and Information Systems at Different Management Levels	480
9.1 : Difference between Delegation and Decentralization	255	19.1 : Inventory Classification	501
13.1 : Difference between Training and Development	337	20.1 : Best Management Practices of Countries	531
13.2 : On-the-job and Off-the-job Training Methods	340		

E

List of Exhibits

1.1 : Modern Approach of Defining Management as a Profession	15	5.1 : Planning Practice of ACC Limited	138
3.1 : Benchmarking Practices in India	83	6.1 : Objective-Setting Practices of Larsen & Toubro (L&T)	152
3.2 : E-business of Companies	90	6.2 : Objectives of Companies	153
4.1 : Social Audit at Tata Steel Limited	107	6.3 : Strategic Management	163
4.2 : Corporate Social Responsibility Policy of Hindalco	107	6.4 : Policies of EIH Limited	170
4.3 : Social Responsibility Actions at Tata Steel Limited	108	16.1 : Leadership Styles of Leading Industrialists in India	427
4.4 : Value Systems of Wipro Limited	113	16.2 : Vision of Leading Companies in India	430
4.5 : Code of Corporate Governance of Reliance Industries	114	19.1 : Quality circle in Modi Rubber Limited	500

Sultan Chand & Sons useful Books for MBA, M.Com, PGDBM & Other PG Courses of All Indian Universities

MANAGEMENT

Kaur Paramjeet	<i>Financial Markets and Institutions</i>
Babu K.G., Anbazhagan B. & Meenakumari S.	<i>Digital Marketing</i>
Sudha P.	<i>Financial Markets and Services</i>
Garg Shalu	<i>Personal Financial Planning</i>
Prasad L.M.	<i>Principles & Practice of Management</i>
Prasad L.M.	<i>Organisational Behaviour</i>
Prasad L.M.	<i>Strategic Management</i>
Prasad L.M.	<i>Human Resource Management</i>
Prasad L.M.	<i>Management Information System</i>
Bhushan Y.K.	<i>Fundamentals of Business Organisation & Management</i>
Gupta C.B.	<i>Management: Theory & Practice</i>
Gupta C.B.	<i>Business Organisation & Management</i>
Gupta C.B.	<i>Human Resource Management</i>
Gupta C.B.	<i>Entrepreneurial Development</i>
Gupta C.B. & Nair N.R.	<i>Marketing Management: Text & Cases</i>
Gupta C.B.	<i>Business Environment (All India)</i>
Gupta C.B.	<i>Entrepreneurship – Text and Cases</i>
Maheshwari S.N.	<i>Financial Management – Principles & Practice</i>
Rustagi R.P.	<i>Investment Analysis & Portfolio Management</i>
Tripathi P.C.	<i>Human Resources Development</i>
Tripathi P.C.	<i>Personnel Management & Industrial Relations</i>
Tripathi P.C.	<i>Textbook of Research Methodology</i>
Khanka S.S.	<i>Creativity and Innovation in Entrepreneurship</i>
Sudha P.	<i>Security Law & Market Operations</i>
Saikumari V. & Purushothaman S.	<i>Logistics and Supply Chain Management</i>
Jeevanandam C.	<i>Foreign Exchange – Practice, Concepts & Control</i>
Jeevanandam C.	<i>Foreign Exchange & Risk Management</i>
Sharma D.D.	<i>Marketing Research</i>
Sharma D.D.	<i>Total Quality Management – Principles, Practice & Cases</i>
Varma M.M.	<i>Materials Management</i>
Ghosh P.K.	<i>Strategic Management</i>
Gupta S.L.	<i>Consumer Behaviour – An Indian Perspective</i>
Mittal Alka	<i>Principles of Insurance & Risk Management</i>
Varshney P.N.	<i>Indian Financial System</i>
Bhattacharya B., & Varshney R.L.	<i>International Marketing Management</i>
Pandian Sundara P. Muthulakshmi S. Vijayakumar T.	<i>Research Methodology & Applications of SPSS in Social Science Research</i>
Balachandran V.	<i>Securities Market & Regulations</i>

ECONOMICS

Sengupta Jhumur	<i>Introduction to Econometrics</i>
Mishra Amritkant	<i>Modern Macroeconomics: Theory & Practice</i>
Mehta P.L.	<i>Managerial Economics – Analysis, Problems & Cases</i>
Varshney R.L.	<i>Managerial Economics – Text, Problems & Cases</i>
Dhingra I.C.	<i>Indian Economy</i>
Mehta B.C.	<i>Mathematics for Economists</i>
Agarwal M.K.	<i>Modi: Empowers Development</i>

ENGLISH

Rajendra Pal & Prem Lata Suri	<i>English Grammar & Composition</i>
Rajendra Pal & J.S. Korlahal	<i>Essentials of Business Communication</i>

LAW

Mukherjee Sulakshana Banerjee	<i>The Crime of Honour Killing: A Critical Analysis of the Law in India</i>
Kalra Kush	<i>Alternate Dispute Resolution: Concepts and Methods</i>
Kapoor N.D.	<i>Elements of Mercantile Law</i>
Kapoor N.D.	<i>Elements of Company Law</i>
Kapoor N.D.	<i>Elements of Industrial Law</i>
Kapoor N.D.	<i>Company Law & Secretarial Practice</i>
Varshney P.N.	<i>Banking Law & Practice</i>
Sundharam K.P.M., Varshney P.N.	<i>Banking Theory Law & Practice</i>
Balachandran V. & Ghosh P.	<i>An Outline of Company Secretarial Practice</i>
Tripathi P.C.	<i>Industrial Relations and Labour Laws</i>
Kalra Kush & Tanwar Bhanu	<i>Constitutional Law of India</i>

ACCOUNTANCY

Gupta MP & Agarwal BM	Corporate Accounting
Gupta MP & Gupta Ajay	Cost Accounting
Gupta R.L.	Advanced Accountancy – I & II
Radhaswamy M.	
Gupta M.P. & Aggarwal B.M.	Advanced Accountancy, Vol. I (Financial Accounting) Vol. II (Corporate Accounting)
Maheshwari S.N.	Financial & Management Accounting
Maheshwari S.N.	Principles of Management Accounting
Maheshwari S.N.	Accounting for Management
Maheshwari S.N.	Management Accounting & Financial Control
Saxena V.K. & Vashist C.D.	Advanced Cost & Management Accounting – Text
Saxena V.K. & Vashist C.D.	Adv. Cost & Management Accounting – Probs. & Solns.
Pagare Dinkar	Principles & Practice of Auditing
Saxena V.K. & Vashist C.D.	Cost Accounting – Textbook

MATHEMATICAL SCIENCE

Dabas Preeti	<i>Descriptive and Inferential Statistics using R</i>
Manzoor AK Sheik & Kumar Ganesh R	<i>A Handbook of Multivariate Data Analysis Using R</i>
Jana Sajal & Sengupta Jhumur	<i>A Premier Guide to Data Analysis: Applications with STATA and R</i>
Gupta S.C., Gupta S.K. & Gupta A.	<i>Objective Statistics</i>
Gupta S.P.	<i>Statistical Methods (All Courses)</i>
Gupta S.P.	<i>Business Statistics, MBA</i>
Gupta S.P.	<i>Business Statistics & Operation Research</i>
Gupta S.P. & Gupta P.K.	<i>Business Statistics & Business Mathematics</i>
Gupta S.P. & Gupta P.K.	<i>Quantitative Techniques & Operations Research</i>
Gupta S.C. & Kapoor V.K.	<i>Fundamentals of Mathematical Statistics and Fundamentals of Applied Statistics</i>
Sancheji D.C. & Kapoor V.K.	<i>Business Mathematics</i>
Swarup Kanti, Gupta P.K. & Man Mohan	<i>Operations Research</i>
Gupta P.K.	<i>Probs. in Operations Research</i>
Kapoor V.K.	<i>Operations Research</i>
Kapoor V.K.	<i>Operations Research Concepts, Problems & Solutions</i>

Sultan Chand & Sons

Publishers of Standard Educational Textbooks

23 Daryaganj, New Delhi-110002
 Phones (S) : 011-23281876, 23266105, 41625022
 (O) : 011-23247051, 40234454
 Email : sultanchand74@yahoo.com
 info@sultanchandandsons.com



ISBN 978-93-91820-87-9



TC-209

9 789391 820879