

Chapter 7: Functions of Management

Question: 1

Select the proper option from the options given below and rewrite the complete sentence :

Planning is _____.

Options

- Advanced Function
- Basic Function
- End Function

Solution

Planning is **basic function**.

Explanation:

Planning acts as a base for all other functions of an organisation. It precedes all other functions like organising, directing, staffing and controlling. This is because plans state objectives and all other functions are in accordance with the said objectives. Plans state what is to be done, how it is to be done, when it is to be done, etc. Thus, it is regarded as the basic function of management.

Question: 2

Select the proper option from the options given below and rewrite the complete sentence :

Division of work is involved in at _____function.

Options

- Planning
- Organising
- Directing

Solution

Division of work is involved in at **organising** function.

Explanation:

Organising function helps in identifying activities and dividing them according to the defined plans. The division of the actions is done as per the objectives. This clear division of work is done so as to avoid any duplicity.

Question: 3

Select the proper option from the options given below and rewrite the complete sentence :

Directing is initiated at the _____ level.

Options

- top
- middle
- lower

Solution

Directing is initiated at the **top** level.

Explanation:

Directing is the process in which the top level management instructs, encourages and guides subordinates to achieve certain goals and objectives. Under the directing function, instruction flows from the top- to bottom-level management; that is, it starts from the managers and ends at the subordinate level. Hence, it can be said that directing is initiated at the top level.

Question: 4

Select the proper option from the options given below and rewrite the complete sentence :

Staffing function is a _____ activity.

Options

- Basic
- Continuous
- Neutral

Solution

Staffing function is a **continuous** activity.

Explanation:

Staffing is not a onetime process; rather, it continues throughout the life of an organisation. Staffing deals with the human aspect of an organisation and includes hiring and training of the employees. Thus, it is an ongoing process in any organisation.

Question: 5

Select the proper option from the options given below and rewrite the complete sentence :

A process to establish harmony among different activities to achieve desired result is _____.

Options

- Controlling
- Co-ordinating
- Co-operation

Solution

A process to establish harmony among different activities to achieve desired result is **co-ordination**.

Explanation:

Coordination binds all the people of the organisation and their activities to ensure a smooth functioning of the business. It is a force that unites the working and efforts of the people of the organisation towards the fulfilment of the common objectives. Hence, in this way, it establishes harmony among different activities for achieving the desired result.

Question: 6

Select the proper option from the options given below and rewrite the complete sentence :

The last function in managerial process is _____.

Options

- Co-ordinating
- Controlling
- Motivating

Solution

The last function in managerial process is **controlling**.

Explanation:

The last function in the managerial process is controlling, as it evaluates and assesses the progress of the work done. It involves the setting of specific criteria or standards for work and then comparing the actual work with the set standards. It also helps in assessing the deviations from the set targets, thereby helping the organisation in taking the required corrective actions.

Question: 7

Select the proper option from the options given below and rewrite the complete sentence :

Unification, integration and synchronization of the efforts of group members so as to achieve common goals is a _____ function.

Options

- Planning
- Organising
- Co-ordinating

Solution

Unification, integration and synchronization of the efforts of group members so as to achieve common goal is a **co-ordinating** function.

Explanation:

Coordination is a process through which activities of various departments and units are synchronised for the achievement of organisation's goals. It is the essence of management and a binding force that unites every individual's efforts for the accomplishment of organisational goals.

Question: 8

Select the proper option from the options given below and rewrite the complete sentence :

Staffing is concerned with _____.

Options

- Physical factor
- Financial factor
- Human factor

Solution

Staffing is concerned with **human factor**.

Explanation:

Staffing is all about managing the human element in any organisation. It involves various steps such as recruitment through various sources, right selection of candidates among the applicants and placement, orientation and training of employees.

Question: 9

Select the proper option from the options given below and rewrite the complete sentence :

Controlling measures the _____ of actual performance from the standard performance and helps in correction action.

Options

- Action
- Deviation
- Objective

Solution

Controlling measures the **deviation** of actual performance from the standard performance and helps in correction action.

Explanation:

Controlling is that function of management under which the set standards are compared with the actual performance and if any deviations are identified, then corrective actions are taken to control the same.

Question: 10

Select the proper option from the options given below and rewrite the complete sentence :

Directing is a responsibility of _____ at all levels.

Options

- Manager
- Worker
- People

Solution

Directing is responsibility of **manager** at all levels.

Explanation:

At any level, it is important for the manager to instruct, motivate, guide and lead his/her subordinates towards achieving certain goals and objectives. Thus, directing is the responsibility of managers at all levels.

Question: 11

Select the proper option from the options given below and rewrite the complete sentence :

Physical, financial and human resources to develop productive relationship is a _____ function

Options

- Organizing
- Directing
- Staffing

Solution

Physical, financial and human resources to develop productive relationship is an **organizing** function.

Explanation:

Organising function involves identifying and bringing together all the resources that help in the production process. Human efforts along with other resources are brought together and coordinated under this function. The aim of this function is to help people in working together and implementing the plans for the successful attainment of objectives.

Question: 12

Select the proper option from the options given below and rewrite the complete sentence :

Deciding in advance as what is to be done, when it is to be done and who is to do it is _____ function of management.

Options

- Planning
- Organizing
- Controlling

Solution

Deciding in advance as what is to be done, when it is to be done and who is to do it is **planning** function of management.

Explanation:

Planning is a psychological process of thinking and deciding in advance what is to be done, how it is to be done, when it is to be done and by whom it is to be

done. It is a mental activity in which the manager decides the goals that are to be achieved and the actions through which those goals are to be achieved.

Question: 13

Match the correct pairs :

	Group 'A'		Group 'B'
a	Planning	1	Individual Taste.
b	Organising	2	Directly related to Human Beings.
c	Staffing	3	Bridges the gap between where we are now and where we want to go.
d	Directing	4	All the people are employed
e	Controlling	5	Not directly related to Human Beings
		6	Identify and Grouping the work to be performed.
		7	Corrective Action taking.
		8	Right People at Right Jobs.
		9	Taking action against employees.
		10	Aims only at organizational Goals.

Solution

	Group 'A'		Group 'B'
a	Planning	3	Bridges the gap between where we are now and where we want to go.
b	Organising	6	Identify and Grouping the work to be performed.
c	Staffing	8	Right People at Right Jobs
d	Directing	2	Directly related to Human Beings
e	Controlling	7	Corrective Action taking.

Question: 14

Write a word or a phrase or a term which can substitute the following :

One of the functions of management is considered as a base for all functions.

Solution

One of the functions of management is considered as the base for all functions – **Planning**

Explanation:

Planning acts as a base for all other functions in any organisation; that is, it

precedes all other functions like organising, directing, staffing and controlling. This is because plans state the objectives, and all other functions are performed in accordance with the laid objectives. Once the plans are made, the roles of other interrelated functions come into play. Thus, planning becomes the basis for other functions of an organisation.

Question: 15

Write a word or a phrase or a term which can substitute the following :

The function of management, which identifies and divides the work of the organization.

Solution

The function of management, which identifies and divides the work of the organisation – **Organising**.

Explanation:

The organising function helps in identifying activities and dividing them according to the defined plans. The actions are divided as per the objectives and this clear division of work is done so as to avoid any duplicity or overlapping of efforts.

Question: 16

Write a word or a phrase or a term which can substitute the following :

A function of management that ensures that actual activities match up to the planned activities.

Solution

A function of management that ensures that actual activities match up to the planned activity- **Controlling**

Explanation:

Under the controlling function of management, the actual performance is compared with the planned performance. If deviations are found, then necessary corrective measures are taken to accomplish the set objectives.

Question: 17

Write a word or a phrase or a term which can substitute the following :

A function where right people are given right jobs.

Solution

A function where right people are given right job - **Staffing**.

Explanation:

Staffing is the function of finding the right people for the right jobs. It is an important aspect of management, as it ensures that right people with the required qualification are chosen for the work. It ensures that the vacancies are filled and always remain occupied.

Question: 18

Write a word or a phrase or a term which can substitute the following :

A function where recruitment, selection, training, development, etc. is done for the people.

Solution

A function where recruitment, selection, training, development etc. is done for the people - **Staffing**

Explanation:

According to Theo Haimann, staffing involves recruitment, selection, development, training and compensation of subordinate managers. All these activities are done in an organisation from time to time to manage the staff efficiently. Through these activities, motivation of employees' increases; this further leads to the betterment of the organisation.

Question: 19

Write a word or a phrase or a term which can substitute the following :

A process where managers instruct, guide and communicate with employees.

Solution

A process where managers instruct, guide and communicate with employees – **Directing**

Explanation:

Directing is the process through which a manager instructs, motivates and guides the employees towards achievement of certain goals and objectives. Directing involves supervision, motivation, leadership and communication.

Question: 20

Write a word or a phrase or a term which can substitute the following :

A function rightly treated as the essence of management.

Solution

A function rightly treated as the essence of management – **Co-ordination**

Explanation:

Coordination is said to be the essence of management. It binds the employees and their activities to ensure the smooth functioning of the organisation. It is a force that unites the work and efforts of the people of the organisation towards achieving a common objective. Coordination also links the functions of the management.

Question: 21

Write a word or a phrase or a term which can substitute the following :

A process where standards are set, actual performance is measured and corrective action is taken.

Solution

A process where standard are set, actual performance is measured and corrective action is taken – **Controlling**

Explanation:

Under the controlling function of management, standards are set and the actual performance is compared with the planned performance. In case deviations are found, necessary corrective actions are taken to achieve the desired objectives.

Question: 22

Write a word or a phrase or a term which can substitute the following :

An end function where the performance is evaluated in accordance with the plan.

Solution

An end function where performance is evaluated in accordance with the plan - **Controlling**

Explanation:

Controlling is the last function of in the management process where the performance of the organisation is measured and compared with the planned performance; in case there are any deviations, corrective actions are taken.

Question: 23

Write a word or a phrase or a term which can substitute the following :

A function of management that brings physical, financial and human resources together for better productivity.

Solution

A function of management that brings physical, financial and human resources together for better productivity – **Organising**

Explanation:

Organising includes identifying the activities that are to be performed and bringing them together to achieve organisational goals. As each task requires resources as well as human efforts for it to get accomplished, the organising function enables coordination and integration of human efforts as well as physical and financial resources for the efficient working of the management.

Question: 24

Write a word or a phrase or a term which can substitute the following :

The function without which planning is meaningless.

Solution

The function without which planning is meaningless - **Controlling**

Explanation:

Planning without controlling holds no meaning. Once the plans are formulated, it becomes necessary to monitor and evaluate whether the performance is as per the laid plans or not. Controlling ensures that the performance is in accordance with the laid plans.

Question: 25

Write a word or a phrase or a term which can substitute the following :

A management function which decides in advance as to what to do, how to do, when to do and who is to do.

Solution

A management function which decides in advance as to what to do, how to do it, when to do it and who is to do it - **Planning**

Explanation:

Planning is a psychological process of thinking and deciding in advance what is to be done, how is to be done, when is to be done and by whom it is to be done. It is a mental activity in which the manager decides the goals to be achieved and the actions through which those goals are to be achieved.

Question: 26

Write a word or a phrase or a term which can substitute the following :

A function directly related to human beings.

Solution

A function directly related to human beings - **Directing**

Explanation:

The function of directing is directly related to the human factor of an organisation. Under this function, instructions, guidance, etc., are given to the employees along with taking care of their feelings and emotions. In this way, this function directly deals with human beings.

Question: 27

Write a word or a phrase or a term which can substitute the following :

A management function concerned with ascertaining whether the activities are carried out as per plans and taking corrective actions.

Solution

A management function concerned with ascertaining whether the activities are carried out as per plans and taking corrective action - **Controlling**

Explanation:

Controlling is evaluating and assessing the progress of the work done. Some specific criteria or standards are set in the planning process. The controlling process evaluates whether the activities are carried out as per the set plans or not.

Question: 28

Write a word or a phrase or a term which can substitute the following :

An orderly arrangement of group efforts to provide unity of action to achieve common goals.

Solution

An orderly arrangement of group efforts to provide unity of action to achieve common goals - **Coordination**

Explanation:

A person cannot achieve organisational goals alone; rather, a group effort is required to accomplish the objectives of the organisation. So, all people have to work in a team, and this is possible only through coordination. Thus, we can say that coordination unites the efforts of the people of the organisation towards the fulfilment of common objectives.

Question: 29

Write a word or a phrase or a term which can substitute the following :

A process of taking steps to bring actual results and desired results closer.

Solution

A process of taking steps to bring actual results and desired results closer together - **Controlling**

Explanation:

Under controlling, when deviations go beyond the admissible limits, there arises a need for the management to take corrective actions. This is the last step of controlling; it aims at correcting the deficiencies of the organisation so as to bring the desired results closer and ensures that the errors do not occur again.

Question: 30

Write a word or a phrase or a term which can substitute the following :

A function which provides instructions from the top level management to the lower level management.

Solution

A function which provides instructions from the top level management to the lower level - **Directing**

Explanation:

Directing is one of the functions of management in which instructions flow from the top level to the lower level of management. The function flows downwards along the organisational hierarchy.

Question: 31

Distinguish Between the following:

Planning & organising.

Solution

Basis of Difference	Planning	Organising
Meaning	Planning is a psychological process of thinking and deciding in advance what it is to be done and how it is to be done.	Organising refers to the procedure of aligning activities in a certain order.
Objective	Its objective is to set goals and choose the means to achieve them.	Its objective is to bring together all resources like people and materials
Order	It is the first function of management.	It comes after planning.
Targets	The targets are first analysed and	Resources are arranged

	then chosen.	to achieve the target.
Nature	It is continuous in nature.	It continues till the time all the resources are collected.

Question: 32

Distinguish Between the following:

Coordination & controlling.

Solution

Basis of Difference	Coordination	Controlling
Meaning	Coordination is a process through which activities of various departments and units are synchronised for the achievement of organisational goals.	Controlling is evaluating and assessing the progress of the work done.
Objective	To ensure the smooth functioning of the organisation.	To ensure that everything goes as per the set plans.
Order	Comes after planning and is an element of organising.	Last function of the management process
Resources	It is related to human resources.	It is related to all the resources of an organisation.
Level of management	Coordination is required at all levels of the management.	Controlling is basically the task of the top- and middle-level management.

Question: 33

Distinguish Between the following:

Planning & controlling.

Solution

Basis of Difference	Planning	Controlling
Meaning	Planning is a psychological process of thinking and deciding in advance what it is	Controlling is evaluating and assessing the progress of the work done.

	to be done and how it is to be done.	
Objective	To set goals and choose the means to achieve them.	To ensure that everything goes as per the set plans.
Order	First function of management.	Last function of management.
Level of management	Plans are formulated by the top-level management.	Controlling is basically the task of the top and middle levels of management.
Targets	In this case, targets are first analysed and then decided.	In this case, the actual performance is compared with the planned performance so that the targets can be achieved.

Question: 34

Distinguish Between the following:

organising & staffing.

Solution

Basis of Difference	Organising	Staffing
Meaning	Organising refers to the procedure of aligning activities in a certain order.	Staffing is the process of filling job vacancies and retaining the employees recruited.
Objective	To bring together all resources like people and materials.	To fulfil the human resource requirements of the organisation.
Order	Comes after planning; it is the second function of management.	Comes after organising
Level of management	The top- and middle-level management are concerned with the arrangement of resources.	Staffing is done only by the middle-level management.
Factors	Both internal and external aspects are considered while arranging resources.	Only internal factors are considered in staffing

Question: 35

Distinguish Between the following:

Planning & Directing.

Solution

Basis	Planning	Directing
Meaning	Planning is a psychological process of thinking and deciding in advance what is to be done and how it is to be done.	Directing is the process of instructing, motivating, guiding and leading people to work to the best of their capabilities in order to achieve the predetermined goals and objectives.
Objective	To set goals and choose the means to achieve them.	To get the work done in the right manner.
Level of management	Plans are formulated by the top-level management.	Directions are given by the managers present at every level of any organisation.
Order	First function of management.	Comes after staffing
Factors	Internal and external aspects are considered while setting goals.	Only internal factors are considered in directing

Question: 36**Distinguish Between the following:**

Staffing & Directing.

Solution

Basis	Staffing	Directing
Meaning	Staffing is the process of filling job vacancies and retaining the recruited employees.	Directing is the process of instructing, motivating, guiding and leading people to work to the best of their capabilities in order to achieve the predetermined goals and objectives.
Objective	To meet the human resource requirements of the organisation.	To get the work done in the right manner.
Order	It comes after organising	It comes after staffing

Level of management	Staffing is done by the middle-level management.	Directions are given by the managers at every level of any organisation.
Areas of function	Recruitment, training, development and promotion of employees are the areas covered under staffing.	Instructing, guiding and motivating employees are the functions that come under directing.

Question: 37

Distinguish Between the following:

Planning & staffing

Solution

Basis of Difference	Planning	Staffing
Meaning	Planning is a psychological process of thinking and deciding in advance what is to be done and how it is to be done.	Staffing is the process of recruiting, selecting, developing, training and promoting employees.
Objective	To set goals and choose the means to achieve them.	To meet the human resource requirements of an organisation.
Level of management	Plans are formulated by the top-level management.	Staffing is done by the middle-level management.
Order	It is the first function of management.	It comes after organising
Factors	Internal and external aspects are considered while setting goals.	Only internal factors are considered in staffing.

Question: 38

Distinguish Between the following:

Organising & Directing.

Solution

Basis	Organising	Directing

Meaning	Organising refers to the procedure of aligning the activities in a certain order.	It is the process of guiding, instructing and motivating employees towards the attainment of organisational goals.
Objective	To bring together all resources including people and materials.	To get the work done in the right manner.
Order	Comes after planning; it is the second function of management.	Comes after staffing.
Level of management	The top- and middle level management are concerned with the arrangement of resources.	Directions are given by the managers present at every level of any organisation
Nature	Organising continues till the time all the resources are collected.	Direction is needed till the time targets are achieved.

Question: 39

Distinguish Between the following:

Planning & Co-ordinating.

Solution

Basis	Planning	Co-ordination
Meaning	Planning is a psychological process of thinking and deciding in advance what is to be done and how it is to be done.	Coordination is the process of achieving goals by establishing harmony and integrity among people in the organisation.
Objective	To set goals and choose the means to achieve them.	To ensure smooth functioning of the organisation.
Level of management	Plans are formulated by the top-level management.	Coordination is required at all levels of management.
Order	It is the first function of management.	It is the fifth function of management; it comes after planning, organising, staffing and directing.
Factors	Internal and external factors are considered while setting goals.	It focuses on the internal environment of the

	organisation.
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Question: 40

Distinguish Between the following:

Organising & Co-ordinating.

Solution

Basis	Organising	Co-ordinating
Meaning	Organising refers to the procedure of aligning the activities in a certain order.	Coordinating means achieving goals by establishing harmony and integrity among people in the organisation.
Objective	To bring together all the resources including people and materials.	To ensure smooth functioning of the organisation.
Level of management	The top- and middlelevel management look after the arrangement of resources.	Co-ordination is required at every level of management.
Order	Organising comes after planning; it is the second function of management.	It is the fifth function of management; it comes after planning, organising, staffing and directing.
Factors	Internal environment and external environment are considered while arranging resources.	Internal environment of the organisation is considered in the process of coordination.

Question: 41

Write Short Note on the following:

Importance of Controlling

Solution

The importance of controlling can be explained through the following points:

i. Accomplishment of organisational goals - Controlling indicates deviations in the performance and helps in taking the required corrective measures. In this way, it helps in the accomplishment of organisational goals in an efficient manner.

ii. Evaluation of standards - It helps in assessing and reviewing the

accuracy and feasibility of the set standards according to the changing business environment.

iii. Optimum utilisation of resources - Controlling ensures that each task is performed as per the set standards; this helps in ensuring minimum wastage of resources.

iv. Promotion of coordination - Proper controlling ensures that every department is aware of its activities and tasks and coordinates well with other departments in the organisation.

v. Order and discipline - The employees are aware of the fact that they are being continuously observed. Thus, dishonesty and inefficiency are minimised.

Question: 42

Write short answer of the following :
What is the nature of staffing function?

Solution

The following points highlight the nature of staffing:

i. Important aspect of management - It is one of the important aspects of management, as it ensures that right people with required qualification are chosen for work. It ensures that vacancies are filled on time and always remain occupied.

ii. Pervasive - Staffing is pervasive in all organisations, irrespective of their size, characteristics and region. This means that all organisations (large or small) working with an economic, social or political interest and based out in any region need to perform the staffing function.

iii. Continuous process - Staffing is not a one-time process; it continues throughout the life of an organisation. It is a procedure of filling the vacancies. In other words, it focuses on meeting the human resource requirements of the organisation.

iv. Motivates employees - Staffing motivates employees by promoting them in terms of their position, pay, etc. In this way, it provides job satisfaction to the employees and encourages them to realise their potential.

v. Right people for right jobs - Staffing is a function of finding the right people for the right jobs. It aims at selecting the right candidate out of the applicants, thereby ensuring increase in the level of efficiency in the organisation.

Question: 43

Write Short Note on the following:

Nature of Planning.

Solution: 1**Meaning:**

Planning can be defined as “thinking in advance what is to be done, when it is to be done, how it is to be done and by whom it should be done”. In simple words we can say, planning bridges the gap between where we are standing today and where we want to reach.

Nature of Planning:**1. Planning contributes to Objectives:**

Planning starts with the determination of objectives. We cannot think of planning in absence of objective. After setting up of the objectives, planning decides the methods, procedures and steps to be taken for achievement of set objectives. Planners also help and bring changes in the plan if things are not moving in the direction of objectives.

For example, if an organisation has the objective of manufacturing 1500 washing machines and in one month only 80 washing machines are manufactured, then changes are made in the plan to achieve the final objective.

2. Planning is Primary function of management:

Planning is the primary or first function to be performed by every manager. No other function can be executed by the manager without performing planning function because objectives are set up in planning and other functions depend on the objectives only.

For example, in organizing function, managers assign authority and responsibility to the employees and level of authority and responsibility depends upon objectives of the company. Similarly, in staffing the employees are appointed. The number and type of employees again depends on the objectives of the company. So planning always proceeds and remains at no. 1 as compared to other functions.

3. Pervasive:

Planning is required at all levels of the management. It is not a function restricted to top level managers only but planning is done by managers at every level. Formation of major plan and framing of overall policies is the task of top level managers whereas departmental managers form plan for their respective departments. And lower level managers make plans to support the overall objectives and to carry on day to day activities.

4. Planning is futuristic/Forward looking:

Planning always means looking ahead or planning is a futuristic function. Planning is never done for the past. All the managers try to make predictions and assumptions for future and these predictions are made on the basis of past experiences of the manager and with the regular and intelligent scanning of the general environment.

5. Planning is continuous:

Planning is a never ending or continuous process because after making plans also one has to be in touch with the changes in changing environment and in the selection of one best way.

So, after making plans also planners keep making changes in the plans according to the requirement of the company. For example, if the plan is made during the boom period and during its execution there is depression period then planners have to make changes according to the conditions prevailing.

6. Planning involves decision making:

The planning function is needed only when different alternatives are available and we have to select most suitable alternative. We cannot imagine planning in absence of choice because in planning function managers evaluate various alternatives and select the most appropriate. But if there is one alternative available then there is no requirement of planning.

For example, to import the technology if the licence is only with STC (State Trading Co-operation) then companies have no choice but to import the technology through STC only. But if there is 4-5 import agencies included in this task then the planners have to evaluate terms and conditions of all the agencies and select the most suitable from the company's point of view.

7. Planning is a mental exercise:

It is mental exercise. Planning is a mental process which requires higher thinking that is why it is kept separate from operational activities by Taylor. In planning assumptions and predictions regarding future are made by scanning the environment properly. This activity requires higher level of intelligence. Secondly, in planning various alternatives are evaluated and the most suitable is selected which again requires higher level of intelligence. So, it is right to call planning an intellectual process.

Solution: 2

Characteristics of planning:

i. Objective oriented - Plans must be formulated keeping in view specific goals and objectives of the organisation. The management should ensure that the plans are purposeful.

ii. Stepping stone - Planning forms the base for all other functions of management such as organising, directing and staffing. The functions of management are performed as per the set goals and objectives stated under planning.

iii. Pervasive - Planning must be done at all levels of the organisation. However, its scope differs along the various dimensions of the business concerned.

iv. Continuous - Planning is a continuous process, as after the implementation of a plan, the need for the formulation of the next plan arises, keeping in view new objectives and goals.

v. Futuristic - Planning is futuristic, as it foresees the future and prepares the management to deal with uncertain future events.

Question: 44

Write short answer of the following :

Why is organising considered an important function of management?

Solution

Organising is considered a significant function of management because of the following reasons:

i. Clear definition of working relationships - Under organising, the hierarchical structure of the organisation is clearly established; this helps in avoiding any ambiguity in the transfer of instructions.

ii. Less duplication of work - As various activities are properly assigned to different personnel, duplication of work is minimised.

iii. Better coordination - Under organising, activities of similar nature are grouped together under different departments. This ensures better coordination and harmony among all departments in the organisation.

iv. Optimum utilisation of resources - By ensuring that activities in the organisation are properly aligned, overlapping of work can be avoided. This, in turn, ensures that the resources are efficiently utilised and minimum wastage of efforts is done.

v. Improved specialisation - Under organising, activities of similar nature are grouped together and tasks are assigned to people as per their skills and capabilities. This allows the organisation to focus on specialisation of work.

Question: 45

Answer the following Question:

What do you understand by the term "Planning" and give its importance?

Solution

Planning can be defined as a process of setting goals and objectives for a given period of time, evaluating alternatives for the course of action and deciding an appropriate action from various alternatives.

The importance of planning can be explained through the following points:

i. Renders direction - Planning clearly states the goals and objectives to be achieved. Thus, it acts as a guide for the actions to be taken. Further, it guides the managers on things to be done, routes to taken and objectives to be achieved. It ensures that the path taken for the accomplishment of goals is righteously chosen.

ii. Subdues risks - By guiding the organisation in the right direction, it accredits its managers to analyse and anticipate changes. This leads to a reduction in the uncertainty of foreseen events. Planning shows how to deal with situations that may arise in the due course of management, though it does not fully eliminate the problems.

iii. Minimises overlapping - As the managers are well comprehended on the policies and plans of the organisation, they can coordinate the activities together to fulfil the objectives. Thus, overlapping of work is reduced. Also, any wastage of resources that may take place due to repetitiveness is reduced.

iv. Encourages creativity - Planning includes formulation of policies and plans requiring innovation. It is a crucial activity that demands the best of managers with apt thinking and creativity. It calls out for new ideas by the management to attain the goals.

v. Helps in decision making - Planning serves as the basis for decision making. It involves steps like analysing the future, evaluating various courses of action and choosing the best alternative as per the objective. Thus, a proper planning process helps managers in taking rational decisions.

vi. Essential for controlling - Planning states the objectives that are to be achieved. Thus, it sets the standards on which the overall performance is to be evaluated. It also helps in determining whether there is any deviation from the said objectives. This further helps in taking corrective measures if required.

Question: 46**Answer the following Question:**

Define organizing. And explain its importance as management function.

Solution

Organising is a procedure of aligning various activities of an organisation in a specified order. It involves steps like designing roles to the personnel so that their efforts, along with the resources, can be coordinated for the accomplishment of organisational goals.

The importance of organising can be explained through the following points:

i. Clear definition of working relationships - Because of the function of organising, the hierarchical structure of any organisation is clearly established; this helps in avoiding any ambiguity in the transfer of instructions within the organisation.

ii. Optimum utilisation of resources - By ensuring that various activities of the organisation are properly aligned, overlapping of work is avoided. This, in turn, ensures that the resources are efficiently utilised and minimum wastage of efforts is done.

iii. Improved specialisation - Under organising, activities of similar nature are grouped together and tasks are assigned to various individuals as per their skills and capabilities. This allows the organisation to focus on specialisation of work.

iv. Easy accommodation of change - By properly organising the activities under different departments and groups, the organisation can easily adapt to the changes in its business environment. In this way, organising brings stability in the organisation.

v. Efficient development of employees - The processes of delegation and decentralisation help in the development of both managers and employees. Organising also allows the managers to focus on high-priority areas and provides them the opportunity to explore new areas. Further, it provides a chance to the subordinates to prove their abilities and gain experience.

vi. Increased growth and expansion - Organising can help an enterprise to expand its business operations and deviate from the traditional norms in a smooth and better manner.

Question: 47

Answer the following Question:

What do you mean by Staffing and give its importance?

Solution

Staffing is a procedure of filling vacancies and keeping them filled. It focuses on meeting the human resource requirements of an organisation. The importance of staffing can be explained through the following points:

i. Finds competent personnel - Staffing helps in finding and choosing the right personnel required for various positions in any organisation.

ii. Improves efficiency - Staffing ensures that right people are placed at the right jobs. This improves the overall efficiency and performance of an organisation.

iii. Facilitates organisational growth - By ensuring the appointment of efficient and competent personnel for various jobs, staffing guarantees the survival and growth of any organisation in the long run.

iv. Effective function - Staffing deals with human factor of the organisation as it involves recruiting and training of the right people for the right jobs. As human beings are the most essential element of an organisation, staffing forms one of the most effective and important functions.

v. Ensures optimum utilisation of human resources - Through proper manpower planning, staffing helps in avoiding over-utilisation or under-utilisation of manpower.

vi. Provides job satisfaction to individuals - Compensation and fair rewards given to the recruited individuals gives them job satisfaction, thereby ensuring their retention in the organisation for a long time period.

Question: 48

Answer the following Question:

Define Directing and explain its importance as management function?

Solution

Directing is a process of instructing, motivating, guiding and leading people to work to the best of their capabilities so that

predetermined goals and objectives can be achieved. This function is performed by every manager at every level of organisation. The importance of directing can be explained through the following points:

i. Helps in achieving objectives - Directing initiates the actual action in an organisation. An individual cannot start working without proper instructions or directions. Directing helps an individual to complete the assigned task properly and on time. In addition, directing in the form of supervision and motivation helps the employees to achieve their targets more efficiently.

ii. Helps in integrating efforts - Every organisation have employees, with different jobs or work assigned to them at various levels. It is only through directing that their individual efforts are integrated and channelised towards the attainment of the common organisational goals.

iii. Encourages employee development - Proper directing guides the employees in the right direction. Elements of directing such as motivation and leadership encourage the employees to work to the best of their capabilities.

iv. Facilitates change - It is human nature to resist changes. Employees must realise that being adaptive to the changing environment can help in their individual growth. Effective directing through proper motivation and communication helps in reducing the resistance of employees towards any change that takes place in the working environment. This eases the transition process in the organisation.

v. Ensures stability - Stability is crucial for the long-term survival of any business. Every organisation has individuals with different behavioural patterns and attitudes. At times, this may result in a clash or conflict between individual goals and organisational goals or between the goals of two individuals. Proper directing helps in maintaining stability and avoiding such conflicts.

Question: 49

Answer the following Question:

Why is Co-ordinating function important as a management function?

Solution

Coordination is important for management and is said to be the essence of it. Through coordination, group functions can be linked together. Coordination binds the people of an organisation and their activities to ensure its smooth functioning. It is the force that unites the work and efforts of the people of any organisation towards the fulfilment of common objectives.

The importance of coordination can be explained through the following points:

i. Harmonised goals - With growth, the size of an organisation increases and the number of people in it also increases. However, greater number of people means more differences in thoughts and working habits. This may sometimes results into disharmony among them. Thus, coordination becomes important to synchronise personal and collective goals in one direction.

ii. Allotted work - Each task requires specialisation to get the desired result. For this, every organisation hires experts for different tasks. Every specialist approaches the task in his/her own unique manner and is usually reluctant in taking any advice or suggestion from others. This may lead to diversion or conflict among various specialists in the same organisation. Thus, coordination is required to integrate their opinions and thoughts.

iii. Achievement of goals - An organisation has various departments and sub-departments such as production, sales, human resource and finance. Every department works independently, with its own policies and objectives. Thus, coordination becomes necessary to synchronise the activities of each

department for the achievement of common goals of the organisation.

iv. Improves goodwill - Coordinating activities and functions of management helps in achieving the goals effectively and efficiently. This in turn helps in improving the goodwill of the organisation in the market.

v. Links functions of management - Coordination links the interrelated functions of management; hence, it is found at every level of management. It begins right from the stage of planning, where goals and objectives are set for the organisation. Coordination is also required between the stages of planning and staffing to ensure that right people are hired for the execution of the laid plans. Also, functions of directing and controlling should be coordinated for the realisation of the desired goals.

Question: 50

Answer the following Question:

Define Control and give its importance.

Solution

Controlling is evaluating and assessing the progress of the work done. It involves setting specific criteria or standards for the work and then comparing the actual work with the set standards. It helps in assessing deviations from the set targets and taking the required corrective actions. The importance of controlling can be explained through the following points:

i. Achieving organisational goals - Controlling aims at accomplishing organisational goals by indicating the deficiencies and deviations in the system and the corrective actions to be taken. It guides the organisation in the right direction so that set objectives can be attained.

ii. Evaluating the standards - Controlling helps in judging the accuracy of the standards adopted by the management. A good controlling system enables the manager to check whether the set standards are accurate and feasible. It also helps the organisation in reviewing and revising the standards according to the changing business environment.

iii. Ensuring optimum utilisation of resources - Continuous control and monitoring help in the efficient and optimum utilisation of resources. As each work is done according to the set standards, there is less wastage of resources.

iv. Motivating employees - By exercising effective control, employees can know well in advance about what is expected out of them and what are the standards on which their performance will be assessed. This motivates them to achieve the assigned targets in a better way.

v. Maintaining order and discipline - Efficient controlling creates an atmosphere of order and discipline in the organisation. As the employees are

aware of the fact that they are being continuously monitored, dishonesty and inefficiency in their behaviour are minimised.

vi. Promoting coordination - Pre-determined standards provide a basis for better coordination within various departments. Controlling helps in ensuring coordination among different departments of an organisation. It provides unity of direction while ensuring that the organisational objectives are met. Hence, controlling is an important function performed by all managers.

Question: 51

Answer the following Question:

What is Directing? Explain the nature of Directing.

Solution

Directing is a process of instructing, motivating, guiding and leading people to work to the best of their capabilities for achieving predetermined goals and objectives. This function is performed by all managers at every level of an organisation. The nature of directing can be explained through the following points:

i. Initiates action - Directing initiates the actual action or work in the organisation, while other functions of management, i.e., planning, organising and staffing, set the base for work in the organisation. It is directing that actually initiates the work.

ii. Continuous in nature - Directing is a continuous process; it flows throughout the life of an organisation. Thus, a manager should not only issue instructions but should also supervise and motivate the subordinates so that the tasks are carried out smoothly.

iii. Flows downwards - This function flows downwards, i.e., from top to bottom. It starts from the top-level executives of the organisation and flows downwards along the organisational hierarchy.

iv. Pervasive process - Directing takes place wherever there is a superior-subordinate relationship. Thus, it is performed at all levels of management. The top-level managers direct the middle-level managers who, in turn, direct their subordinates.

v. Human element - The function of directing is directly related to the human factor. Under this function, instructions, guidance, etc., are given to the employees along with taking care of their feelings and emotions. In this way, this function directly deals with human beings.

Question: 52

Answer the following Question:

Define and explain the nature of Staffing.

Solution

Introduction: - Staffing is that part of the process of management which is concerned with acquiring, developing, employing, appraising, remunerating and retaining people, so that the right type of people are available at the right position and at right time in the organization. The right man for the right job is the basic principle of staffing. In the simplest terms staffing is "**putting_ right people to right jobs**".

Definition: - ""The staffing function pertains to the recruitment selection, development, training and compensation of subordinate managers"". Defined by... (Theo Haiman)

The Nature of Staffing can be briefly explained as follows

1. **Important managerial function:** - Staffing functions the most important managerial function along with planning, organizing, directing and controlling. The functioning of these four functions depends upon the manpower which is available through staffing function.
2. **Pervasive Activity:** -Staffing function is carried out by all the managers and in all types of organization where business activities are carried out. It relates from top-level management to middle-level managers and finally to the lower level subordinates.
3. **Continuous Activity:** - Staffing function continues throughout the life of an organization. It includes recruitment, transfer, promotions, etc. of the employees in an organization..
4. **Efficient Management of Personnel:** -Human resources can be effectively managed by a system i.e. recruitment, selection, placement, training and development providing remuneration, etc. all this provides a motivational force to the employee leading to the betterment of the organization as a whole.
5. **Right Men at the Right Job:** - it can be done effectively through proper recruitment procedures and then finally selecting the most suitable candidates as per the job requirements. Staffing aims at selecting the right men for the right job at the right time.
6. **Essential at all Levels:** -Staffing function is performed by all the managers depending upon the nature of business, size of the company, qualification, and skills of managers, etc. in small organizations the top-level management generally performs this functions.
7. **Related with Human Resource Management:** -This is mainly related with the people and not like planning, organizing, etc. which is related with paperwork. It is concerned with the managers and employees of the organization.

8. **Social Responsibility**: -This function is related with the recruitment, selection, training, etc. of the people. So it becomes the social responsibility of the person or department concerned with all the activities that they have to be impartial (**fair**) in taking proper and correct decisions.
9. **Result Oriented**: -Staffing function aims at right job for the right person. It is always advisable to recruit a specialized person for a specialized job. Specialized persons always bring excellent results for the organization.
10. **Motivation**: -Staffing function helps to provide motivation to the employees by providing them timely training, promotion, etc. employees accomplish their targets in the given time may be rewarded with monetary or non-monetary incentives by the organization.

Question: 53

Answer the following Question:

What do you mean by Controlling and explain its nature?

Solution

Controlling is evaluating and assessing the progress of the work done. It involves setting specific criteria or standards for the work and then comparing the actual work with the set standards. It helps in assessing deviations from the set targets and taking the required corrective actions. It ensures that everything goes as per the set plans.

The following points highlight the nature of controlling:

- i. Pervasive** - Controlling is a pervasive function. It is exercised by all managers, irrespective of their level, department or division.
- ii. Backward-looking and forward-looking** - Controlling is backward-looking, as it evaluates the past performances against the pre-defined set of standards and takes the required corrective actions in case of any deviations. The assessment and corrective actions form the base for future planning. On the basis of those corrective actions, future plans are formed. That is why controlling is also a forward-looking function.
- iii. Positive process** - Controlling is a positive process, as it aims at achieving the organisational goals despite various working constraints.
- iv. Adopts tools of management** - Controlling makes use of various tools and techniques of management such as financial control (by Budgetary control, break-even analysis); operating control (by quality control) and inventory control (by ABC analysis and PERT/CPM)
- v. Continuous process** - Controlling is an on-going process, as it involves

constant assessment and evaluation of the progress of the tasks and activities against the set standards.

vi. Goal oriented - Controlling keeps a close watch on the work in progress and constantly works towards the accomplishment of organisational goals.

Question: 54

Answer the following Question:

Define Co-ordination and explain its nature.

Solution

Co-ordination is a process through which activities of various departments and units are synchronised for the achievement of organisational goals.

The following points highlight the nature of coordination:

i. Group activity - Coordination is said to be a group activity, as it integrates the efforts of various individuals for the achievement of common objectives. In other words, it unifies the collective efforts of the employees for the achievement of the set targets or goals.

ii. Binding force - The main purpose of coordination is to unify the actions of the individuals working in an organisation. It acts as a force that binds various functions of management. It ensures that people of the organisation work together towards achieving organisational goals.

iii. Continuous process - Coordination is a continuous process. It creates a channel between the functions of management. Coordination starts right from the planning stage and continues till the controlling stage. It ensures that the work is executed according to the set plans.

iv. All-pervasive function - Coordination is a pervasive function, as it is performed at all levels of management. It is practised by managers of all departments to ensure unity of action.

v. Responsibility of all managers - It is the responsibility of every manager of an organisation to coordinate organisational activities. The top-level managers work in coordination to ensure overall welfare of the organisation. The middle-level managers practise it to ensure coordination between the top and lower levels. The operational level managers work in coordination to ensure that the work is accomplished as per the set plan.

vi. Deliberate action - Managers practise coordination deliberately to give direction to the efforts of people working in any organisation.

Question: 55

Answer the following Question:

Define planning and explain its nature.

Solution

Planning states in advance where to move and in which direction to move. It is a continuous process that helps in reducing the risk of uncertainty. Planning is an essential activity that provides the rationale for undertaking policies to achieve the set goals.

The following points highlight the nature of planning:

i. Objective oriented - Planning serves as a basis for all other functions. It helps in determining what goals are to be achieved and how those goals are to be achieved. Every management should formulate plans keeping specific goals in mind. These plans should ensure that the desired objectives are attained. Managers should make sure that the plans made are purposeful.

ii. Stepping stone - Planning acts as the stepping stone in the success of any organisation. This means that planning precedes all other functions like organising, directing, staffing and controlling. This is because plans state the objectives and all other functions are in accordance with those objectives. Once the plans are determined, the role of other interrelated functions comes into play. Thus, planning sets the basis for other functions of management.

iii. Pervasive - Planning must be done at all levels of an organisation. It is not just a function of the top-level managers; it should be performed at every level of management. However, its scope differs along the various dimensions of a business. For example, the top-level managers chalk out policies regarding the overall management, the middle-level managers decide upon the authority to be given to their subordinates and the lower-level managers prepare small targets for day-to-day operations.

iv. Continuous - Planning should be done continuously. This is because after the completion of one planned project, a need arises for the formulation of another plan, keeping in view new objectives and circumstances. Moreover, within a planned period, a need may arise for modifying the plans as per the changing needs and requirements. Thus, planning has no end. It is a continuous process; it continues throughout the life of an organisation.

v. Choice making - Planning is a process of making choices among different alternatives available for the attainment of the desired objectives. These alternatives are based on the path to be taken and strategies or policies to be used for the achievement of goals. Managers need to evaluate these choices thoroughly and then select the most rational scheme for achieving the set objectives.

vi. Futuristic - Planning should be futuristic in nature. This means that it should be able to foresee and analyse the future. Planning should be done to

prepare the organisation to deal with any future event. Managers should be able to anticipate probable situations and take steps accordingly to cope up with those situations in an efficient manner.

Question: 56

Answer the following Question:

What is organizing? Explain the nature of organizing.

Solution

Organising refers to the procedure of aligning activities in a certain order. It involves steps like designing roles and directing people towards achieving the set goals. Human efforts along with resources are brought together and coordinated under this function. The aim of this function is to enable people to work together and implement set plans for the successful attainment of objectives.

The following points highlight the nature of organising:

i. Organising as a process - Organising is a process that involves the following steps:

- a. Identifying the work and dividing it according to the set plan.
- b. Grouping the tasks of similar nature and creating departments for the same.
- c. Assigning authorities to the personnel.
- d. Designating the reporting relations

ii. Coordination - Through a clear division of activities among various departments, organising promotes coordination, thereby ensuring the smooth functioning of the organisation.

iii. Authority and responsibility - Under the organising function, a superior can transfer his/her authority and responsibility to any of the subordinates. This lessens the superior's burden.

iv. Division of work - Organising is identifying activities and dividing them according to the defined plans. The actions are divided as per the objectives. A clear division of work is done to avoid any duplicity.

v. Goal oriented - Organising is goal oriented in nature, as it is a procedure of aligning activities in a certain order. It involves designing roles and directing people towards the accomplishment of those goals.

vi. Decision making power - Decision making lies in the hands of the top-level management. It is the responsibility of the managers to get the work done by the employees.