

**Where Practice Meets Theory**



  **(IMBA SEMESTER 4 ) (4 YEARS)**

**INDIAN BUSINESS MODEL**

**(UNIT 4 )**

**Meaning**

Management is defined as the procedure of organising, directing, planning and controlling the efforts of organisational members and of managing organisational sources to accomplish particular goals.

Functions

* ****Planning**** is the purpose of ascertaining in advance what is supposed to be done and who has to do it. This signifies establishing goals in advance and promoting a way of delivering them effectively and efficiently. In an establishment, the aim is the obtainment and sale of conventional Indian handloom and workmanship articles. They trade furnishings, readymades, household items and fabrics made out of classical Indian textiles.
* ****Organising****is the administrative operation of specifying grouping tasks, duties, authorising power and designating resources needed to carry out a particular system. Once a definite plan has been set for the completion of an organisational intent, the organising party reviews the actions and resources expected to execute the program. It ascertains what actions and resources are needed. It determines who will do a distinct job, where and when it will be done.
* ****Staffing****is obtaining the best resources for the right job. A significant perspective of management is to make certain that the appropriate people with the apt skills are obtainable in the proper places and times to achieve the goals of the company. This is also called the human resource operations and it includes activities such as selection, placement, recruitment and coaching of employees.
* ****Directing****involves directing, leading and encouraging the employees to complete the tasks allocated to them. This entails building an environment that inspires employees to do their best. Motivation and leadership are 2 chief elements of direction. Directing also includes communicating efficiently as well as managing employees at the workplace. Motivating workers means simply building an atmosphere that urges them to want to work. Leadership is inspiring others to do what the manager wants them to do.
* ****Controlling****is the management operation of controlling organisational achievement towards the accomplishment of organisational intentions. The job of controlling comprises ascertaining criteria of performance, computing the current performance, comparing this with organised rules and taking remedial action where any divergence is observed. Here management should ascertain what activities and outputs are important to progress, how and where they can be regulated and who should have the power to take remedial response.

**14 Principles of Managment**

Henry Fayol, also known as the ‘father of modern management theory’ gave a new perception of the concept of management. He introduced a general theory that can be applied to all levels of management and every department. The Fayol theory is practised by the managers to organize and regulate the internal activities of an organization.

****1. Division of Work-****

Henri believed that segregating work in the workforce amongst the worker will enhance the quality of the product. Similarly, he also concluded that the division of work improves the productivity, efficiency, accuracy and speed of the workers. This principle is appropriate for both the managerial as well as a technical work level.

****2. Authority and Responsibility-****

These are the two key aspects of management. Authority facilitates the management to work efficiently, and responsibility makes them responsible for the work done under their guidance or leadership.

****3. Discipline-****

Without discipline, nothing can be accomplished. It is the core value for any project or any management. Good performance and sensible interrelation make the management job easy and comprehensive. Employees good behaviour also helps them smoothly build and progress in their professional careers.

****4. Unity of Command-****

This means an employee should have only one boss and follow his command. If an employee has to follow more than one boss, there begins a conflict of interest and can create confusion.

****5. Unity of Direction-****

Whoever is engaged in the same activity should have a unified goal. This means all the person working in a company should have one goal and motive which will make the work easier and achieve the set goal easily.

****6. Subordination of Individual Interest-****

This indicates a company should work unitedly towards the interest of a company rather than personal interest. Be subordinate to the purposes of an organization. This refers to the whole chain of command in a company.

****7. Remuneration-****

This plays an important role in motivating the workers of a company. Remuneration can be monetary or non-monetary. However, it should be according to an individual’s efforts they have made.

****8. Centralization-****

In any company, the management or any authority responsible for the decision-making process should be neutral. However, this depends on the size of an organization. Henri Fayol stressed on the point that there should be a balance between the hierarchy and division of power.

****9. Scalar Chain-****

Fayol on this principle highlights that the hierarchy steps should be from the top to the lowest. This is necessary so that every employee knows their immediate senior also they should be able to contact any, if needed.

****10. Order-****

A company should maintain a well-defined work order to have a favourable work culture. The positive atmosphere in the workplace will boost more positive productivity.

****11. Equity-****

All employees should be treated equally and respectfully. It’s the responsibility of a manager that no employees face discrimination.

****12. Stability-****

An employee delivers the best if they feel secure in their job. It is the duty of the management to offer job security to their employees.

****13. Initiative-****

The management should support and encourage the employees to take initiatives in an organization. It will help them to increase their interest and make then worth.

****14. Esprit de Corps-****

It is the responsibility of the management to motivate their employees and be supportive of each other regularly. Developing trust and mutual understanding will lead to a positive outcome and work environment.

This 14 principles of management are used to manage an organization and are beneficial for prediction, planning, decision-making, organization and process management, control and coordination.

**Indian model of management / approaches**

* Indian management models are successfully functioning in India. Management models are native. Personal Management is very important in modern management. Management approach towards employees is friendly and not antagonistic.
* It indicates the unity between the Divine (The Divine means perfection in knowledge, wisdom, and power), individual self and the universe. The holistic approach of management is based on the spiritual principle of unity, oneness, and non-dual concept.
* In the first instance, Indian management is generally believed to be autocratic with subordinates closely supervised by their superiors and only a limited degree of participation is allowed to the subordinates.
1. **What is Indian model of management in in Indian ethos?**

Indian Ethos in Management refers to the values and practices that the culture of India (Bharatheeya Sanskriti) can contribute to service, leadership and management. These values and practices are rooted in Sanathana Dharma (the eternal essence), and have been influenced by various strands of Indian philosophy.

1. **What is the difference between Western management and Indian management?**

Western Management: more direct, the put emphasis on seniority, family ties, and ranks while Indian managers put more emphasis on input and output of the employee. The Indian managers concentrate on raw materials and productivity.

1. **What are the importance of management in India?**

The five points of importance of management are achieving organization goals, achieving individual goals, creating a dynamic environment, developing society, and improving efficiency.

1. **What are the values of Indian management?**

**Values of Indian Managers**

Integrity. Honesty and integrity are the cornerstone of sustainable success. ...

Willingness to take Risk. Leaders are not afraid of taking risks or making mistakes. ...

* Optimism and Enthusiasm. ...
* Commitment to Growth. ...
* Vision. ...
* Pragmatism. ...
* Responsibility. ...
* Hard Work and Conscientiousness.
1. **What is the model of management in the Indian social environment?**

Human values refer to spiritual, ethical and moral values while Holismmeans oneness or unity. Indian model of management is a spiritualisticmodel