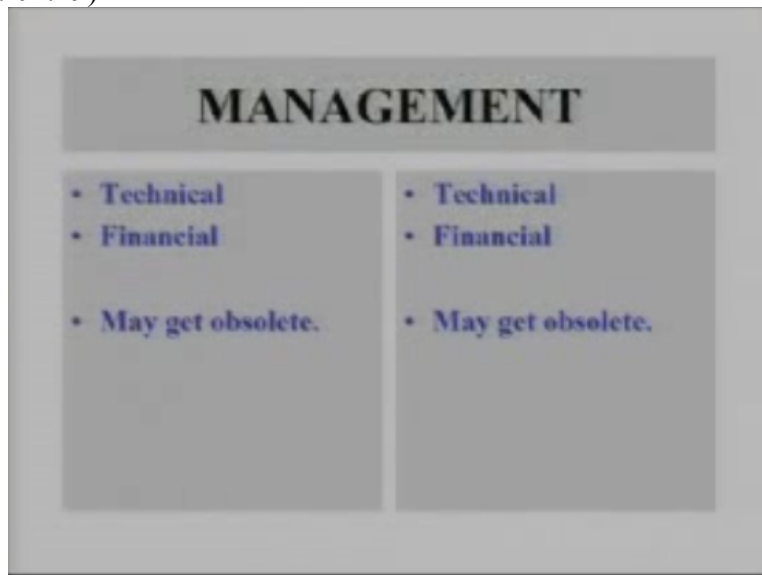


**Under the auspices of
National Program on
Technology Enhanced Learning
NPTEL
(An MHRD initiative)
TECHNOVISION
Educational Technology
Services Centre
IIT DELHI
PRESENTS
A Video Course
On
Management Science
BY
Prof. Amerada Sharma
Department of Humanities and
Social Sciences, IIT DELHI
Lecture # 3
Management**

Last time we were talking about management and we try to understand there are various protest to management and the functions we can understand as technical.
(Refer Slide Time: 01:29)



Financial or may be other applications of management other addition to the approaches of management as being strategy management which is a new addition today whole concept of management.
(Refer Slide Time: 01:57)

What is “STRATEGY?”

- The match an organization makes between its **internal resources**, skills and the opportunities and risks created by its **external environment** over the long term for **competitive advantage**.

(Grant, 1991)

Why strategy what is strategy first we try to understand that then we want to this applications, what is a STRATEGY? The match an organizations makes between its internal resources, skills and the opportunities and risks created by its external environment over the long term period for competitive advantage so some of the terms that we have to understand is that management is not only managing the internal affairs.

But it is an extension was we are trying to include the external factors as well as we are trying to say that some competitive advantage we have to achieve and that is why the factor which we include are used as the strategic management factors. Let us see what is why “STRATEGIC”? (Refer Slide Time: 03:08)

Why “STRATEGIC?”

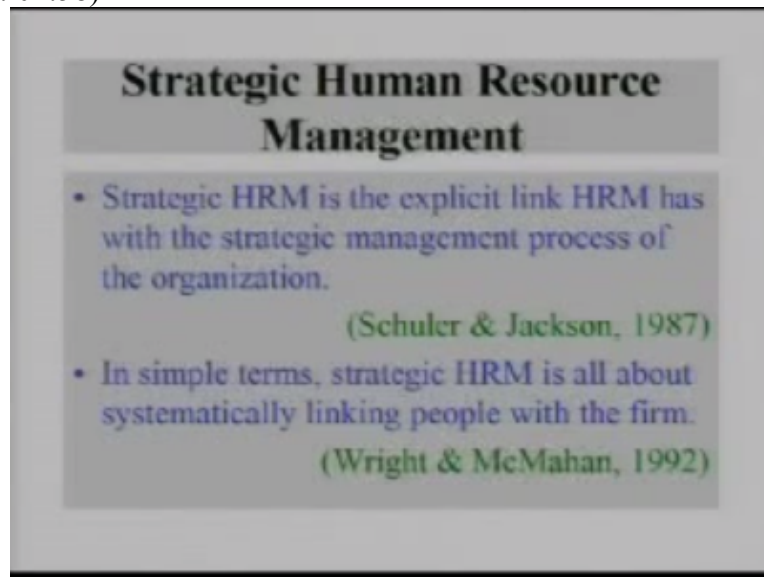
- Because.....
- It involves all managerial personnel.
- Regards people as the most important asset.
- It is proactive in its relationship with people.
- It seeks to enhance organizational performance, employee needs & social well being.

Because it involves all managerial personnel because it regards people as the most important assets It is proactive in its relationship with people and it seeks to enhance organizational performances, employee needs & social well being earlier in our course we have discussed that as we are moving towards understanding of managements systems more and more understanding

about the human accounting system is taken place. And we are talking about the relationship of man with machine.

In much a better way and here the performances when we say organizational performances would reflect profit of course but overall effectiveness often organizations were employ needs become very important and overall the social well-being which was not the concern of the earlier theories as we have seen so the management thought if evolving now I should say beyond even the systems objectives even those system is included in the strategically analysis some kind of a system and the inter-relatedness of the various variables in that system here comes the strategic human resource management.

(Refer Slide Time: 04:58)



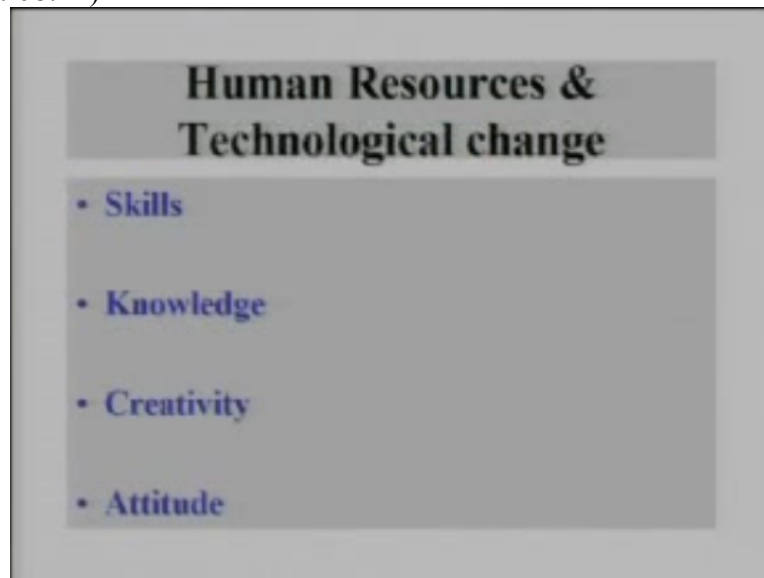
Strategy is used in manufacturing strategy is used any kind of a production system strategy is also when you are talking about accusations or you could talking about the transformations or you are talking about the joint ventures these are also the strategic decisions but one of the latest additions I should say is the strategic human resource management in the field of management here we have couple of equitation's from the writers Schuler Jackson they have said the strategic human resource management.

Is the explicit link human resource management has with the strategic management process of the organizations so on the one hand organizations has its strategic management issues and on the other we have strategic human resource management issues and we have to actually combine these to achieve the competitive advantage in today's world, earlier we were talking about these know as separate categories.

Now Wright& McMahan they have said that in simple terms strategic human resource management is all about systemically linking people with the firm here unimportant issue that you should understand is that in the process of management, why we have started talking about strategic human resource management, so much , the reason ,being the realization, that other aspects, might get , because new systems emerge, new technology emerges, you have news designs, okay now you have from the automated systems, to computerized systems, you have, so many new systems that are emerging , but as far as human resource management, is concerned.

In other words the most experienced human resource , you will find that there is lot of value, in that ,so whereas in other cases, you may still develop new technology, work on the new systems, human resource management, you have to look at the strategies, where you will find who are the valuable , assets, for your organization, because when you combine these 2 , only then you can achieve the best results. And of course establish yourself in the market competition, now, when we talking about management, and strategic management, we have to look at, 4 different parameters.

(Refer Slide Time: 08:24)

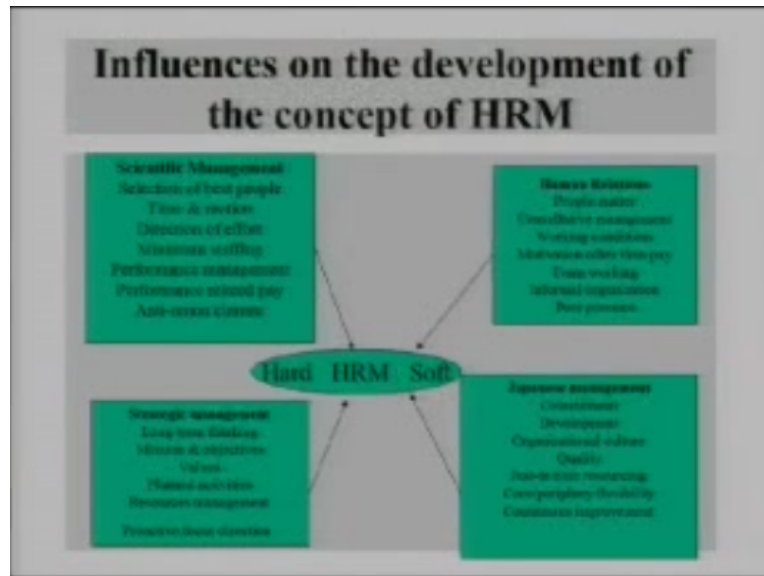


These are the skills, knowledge, creativity and attitude of the people, if you look at the production management system, also you can see , that theses 4 factors apply there, if you are talking about the marketing system, you will say that these 4 factors will apply there, and of course in human resource management, these 4 factors are inevitable, so what we are trying to understand, is that the kind of disciplinary boundaries that we have created, that here is human resource management.

And here is production management. And here there is another kind of management, actually with the new developments in management, we are trying to say, that you cannot do it without human resource management, and even production management, if you are talking about productivity, quality, about the competition in the market, you need well trained human resources, highly motivated human resources, you need to retain good people in your organization, that is a great challenge.

And so the management system, is now trying to look at, the total system, where strategic issues become very important, now there are a number of influences that we find on the development of human resource management.

(Refer Slide Time: 10:06)



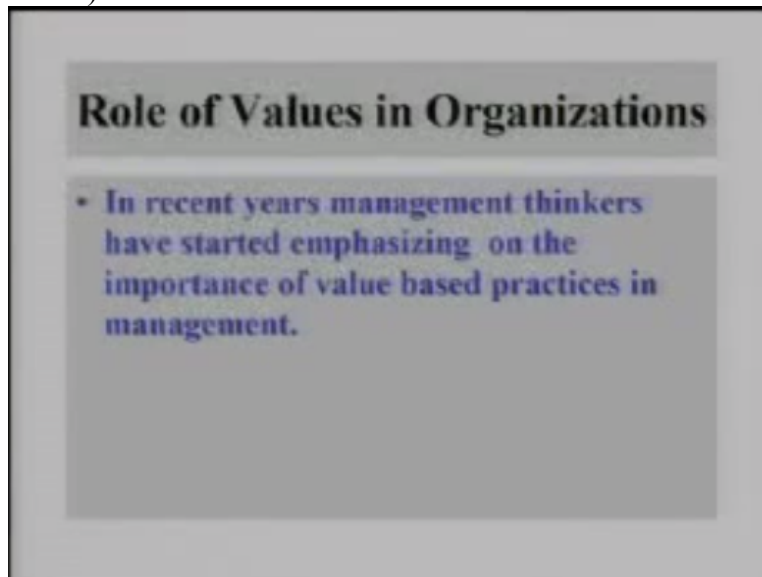
And as I said just now, that human resource management, then has its impact, on the overall management, so the 4 group of factors, which are listed by some of the researchers, are about the scientific management related factors, strategic management factors, the factors related to human relations, and Japanese management, example we have given here, we have already done scientific management, and human relations management. As part of the development of this field

In our last lectures, what we have to understand, is the strategic management, refers to long term thinking. Missions, objectives, and values, planned activities, resources management, and proactive designs of system, or proactive directions, when we say proactive, there are proactive individuals, proactive thinking, proactive management, test to visualize, where the world is going, and proactively can you design certain systems, that is one of the important aspect of strategic management.

So and of course in addition to this, we are talking about, Japanese management because, that becomes a sort of role for some of us, the way some of the industries are going, in the Japanese system, and as a result of this analysis, our understanding of commitment, development, organizational culture, quality just in time, management, we are also talking about code, flexibility and we are also talking about continuous improvement, in the system. So in today's strategic thinking, we have combined those in many of those aspects, which are also emerging out of the Japanese management system.

And has been listed here, by some of the authors, now in the next few, hours, we are going to discuss, some of the strategic management issues, we have done lot of research, you are talking about commitment, people have work commitment, people have organizational commitment, and also, people also have commitment, for different things in life, but here we represent is, work commitment, and organizational commitment. And on which, even in IIT, we have done lot of research, so I will be talking about commitment, perhaps in my next lecture, let me talk to you about, the strategic management issues, some further details on that, and I am taking one issue, of values in organizations.

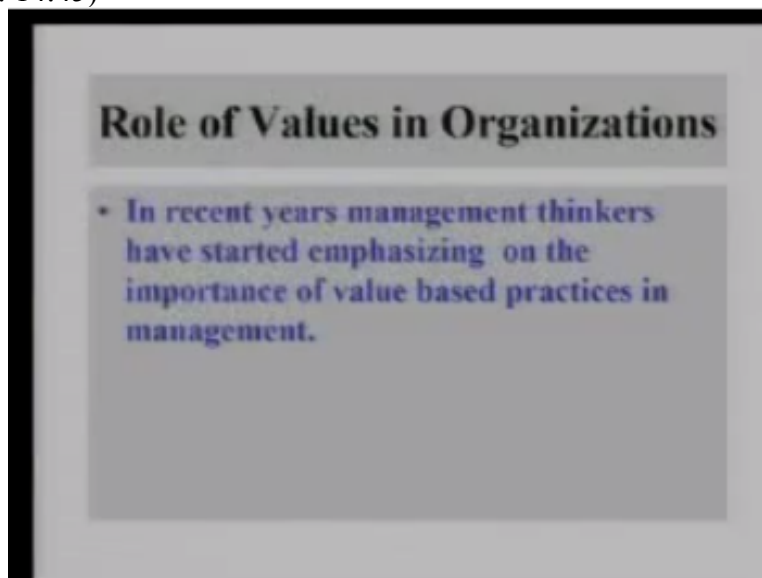
(Refer Slide Time: 13:37)



Earlier, we were never paying much attention to values, and missions, of the organizations, now every organization has a mission, you understand mission, mission of an organization, is perhaps the, dream of an organization, that will live to achieve this, and they have the ethical considerations is now in organization in just coming up in a big way earlier we would not conscience so much about the organizational ethics. And of course the values so the roll of values in organizations whether we talk about personal values or organization values this are very important.

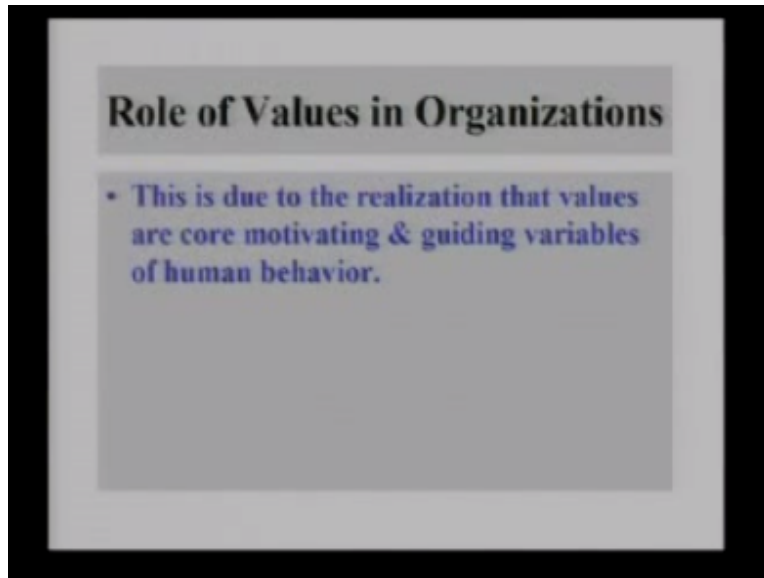
So for now I am discussing the values in organizations as part of hard understanding the modern management systems and this strategic management. In recent here is management thinkers.

(Refer Slide Time: 14:45)



Have started emphasizing on the importance of value based practices in management now these values have we see

(Refer Slide Time: 14:56)

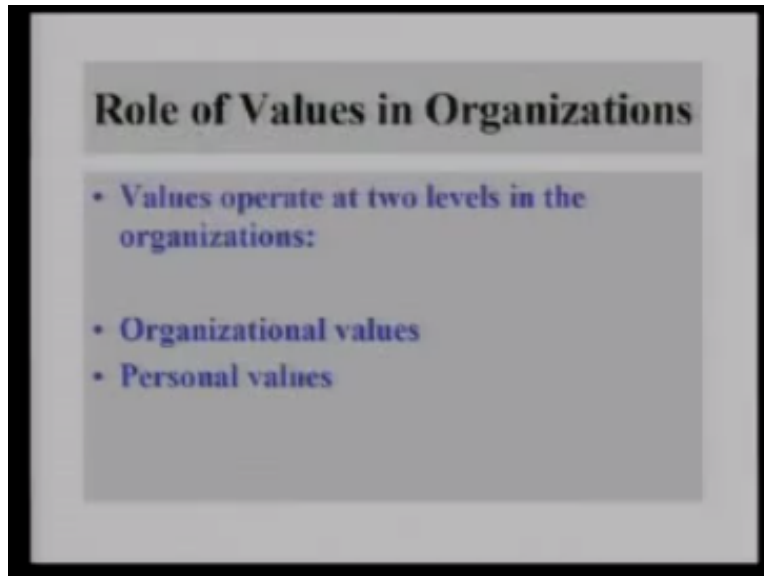


At due to the verbalization those values are the core motivating and guiding variables of management. Of human behavior in tern of management, okay and we have understood that that we are looking at the performance individual performance, industrial performance and perhaps the performance of our country, to achieve competitive and advantage and motivation becomes a core factor there.

And in values we have some refection of motivation and guiding variable because these are the priorities. If you have to do something you will think about it and what about motivates you or whatever are core values you are going to work according to that. So there are value with the person has within and organizational values.

In terms of organizational culture that become develop and that is how some employees say that is organizational ward working. What are the organizational values perhaps they are getting for you the kind of culture perhaps inter personal relationship is very good the team working is dominate in a wonderful the way. So that could be many other examples of organizational values is well, so when we are talking about the role of values in organization.

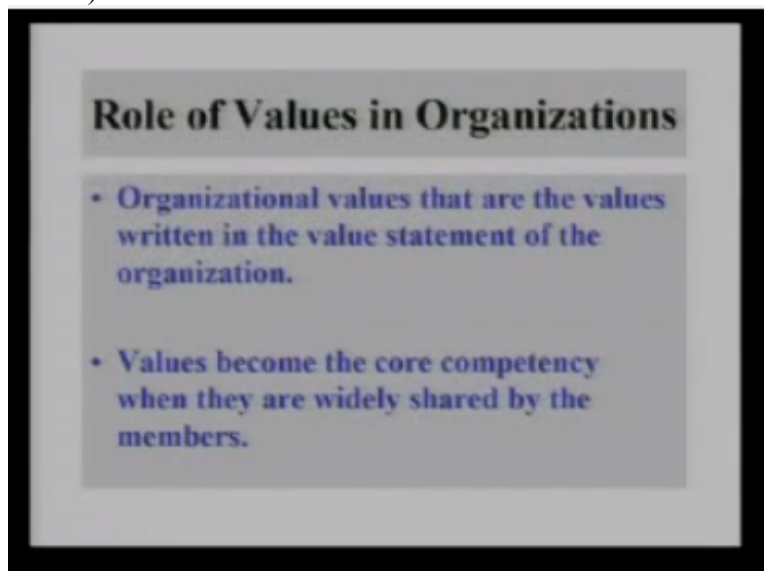
(Refer Slide Time: 16:45)



We understand that these values offered it at two levels in organization at the organizational level and at the personal level. I am sure all of you built at thinking now your personal values and organizational values. You have some personal values and you have our organization has some values.

And which we will like that you also learn and follow those values okay. And then there is the machine of the two. Okay and if this are the best values we are achieving expeditors and we become world class. That is the idea of value and obtusely when we become world class then the computation we are hide of unused.

(Refer Slide Time: 17:42)



Organizational values that are the value return in the value statement of an organization, if organization is now is very careful and the infatuated become almost you know set of a normal think for every organization to write to about their value their machine okay. Further commitment and shown on okay, so the organizational values are most of the timed return by an

organization okay and they expect that we should practice that we should value, the value of organization.

And then try to learn to match and try to see that we come to our expectation, so organization values are though the return values of so how will you do make a statement about organizational values okay. But in a listened to dish there could be a culture of organizational values which is also there in an organization. Okay the distended our return statement okay values become core competency when their widely shared by members. When all of you share a particular value all my excellent students, all brilliant students.

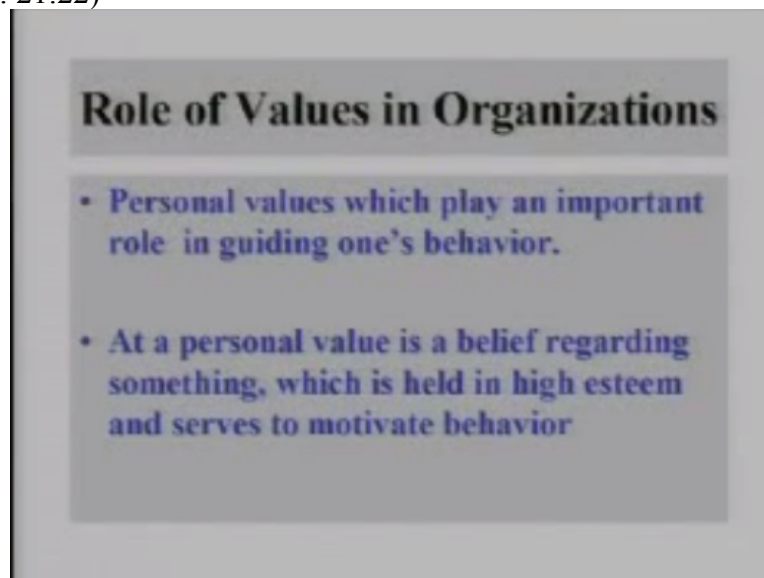
Okay this become core competency of my organization okay so that means values to be a you from come with some values we are inculcating from values we are creating the culture and then everyone stats sharing that and this end values become important aspect of core competency of organization.

Which takes has a head. And so in the reason literature management we need to process on the vales and the core competencies which will make us real, well, in terms of quality performance and of course profit making. And in the compact gives has the competitive in advantage okay wherever we are now the personal values one of us has in some personal values and values within lot will during the hard development.

These also pay important core in gadding our behavior, at the personal level the personal value is a belief recording something which is held in highest team and serves to motivate behavior. If you do not like something you do not have that priority then that means in you do not have in values are almighty priority out of the giving situations. If you do not have that priority then you will not off even that.

Okay but few a priority it should believe that discusses something important very good and I should be doing this, this is my responsibility then we will opt for that and we will apt according for that and so we say that personal value.

(Refer Slide Time: 21:22)



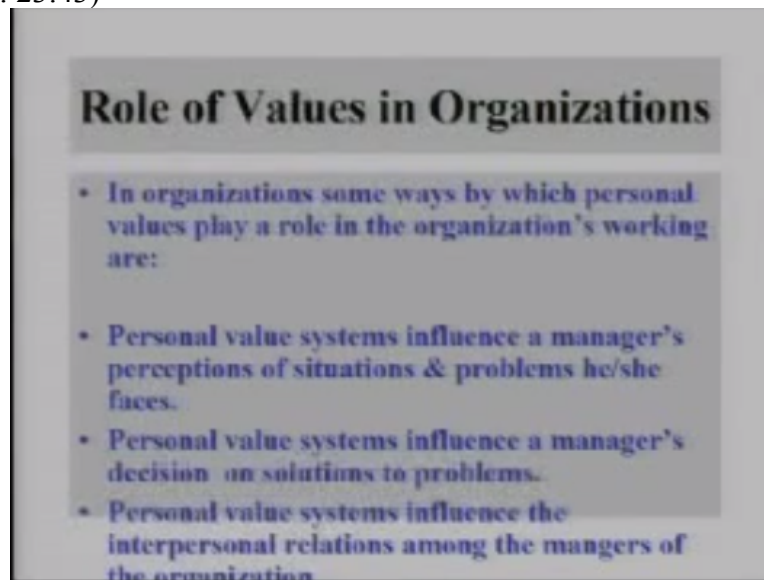
Play important role in guiding our once behavior and this are the believes regarding some time which is held high in high ST and searched to motivate the idea because if you have positive

values then people will also value you and esteem you are in the high esteem other will value you and then in turn you know you start feeling self esteem also, because you are very good values and we can learn this that you know. If you have personal values you cannot develop in to new values.

You do intact we do get to be forced and do modifier behavior because we are getting so many environmental forces so many reflections of success stories that we have and we do change our value we practice, we practice and then that value perhaps known becomes in your I should say in tragic value okay internal so next time when you do something that comes. To you automatically also values became very important, well the management is making use of a concept of values.

While we are selecting people at that time also we try to look at the kind of values in the persons hand okay that means which what kind of value you have come to see job in some organizations okay values could be one of the important parameters and that time, okay but once in we have chosen you able with an value we can train you we can expose you we can give you a culture of values and then we can became real excellent person for the organizations, so in organizations some ways.

(Refer Slide Time: 23:43)



By with personal values to play a role, in organizational functioning we have listed, I listed couple of them not that the list is exotic but couple of them are personal value system, system influence a managers perception and situations and problems here, personal value system, system also influence a managers disease on solution to problems, and personal values systems, systems also influence the inter personal relations among the managers in the organizations, few examples we are giving in fact value we have taken as a, as a one of the min examples of this strategic human resource management fact this, this is one example were discussing but there are so many other examples you say I will take a commitment to know next time to give an idea about how commitment works and so on.

(Refer Slide Time: 25:02)

Role of Values in Organizations

- The practice of professed values would also influence the organizational climate .
- Institutionalization of values would result in improved ethical practices in the organization, which would then enhance organizational climate.

Role of values in organizations also is reflected in the practice of professed values, which influence the organizational climate we always talking about HRD climate organizational climate in an organization and this professed values influence the organizational climate, therefore institutionalization of values would result in improved ethical practices in organizations which would then and else organizational climate, so if you were talking about the professed values.

We are talking about the ethical practices you can see that there is a greatest possibility of the managers in terms of a developing the, the organizations which have world class and which will actually result into positive gains for an organization. As well as from perhaps all the individuals working in those organizations so, so we are talking about institutionalization of the value on the one hand and internalization of values on the other understand internalization when you internalized set.

In values and when we institutionalized the out organization okay I will show that has to be a very close match between these 2 sets of values if it is really want to achieve. Excellent results, okay so in fact in recently a lot of studies have been done in, in these So the role of values this becomes very important for us and we are okay we will discussing some of those issues just we have showed you later we are going to discuss that while from now later so let us see the ethical standards that we have recently I will reading a book that is on the book is title the engineering ethics.

Someone has said that to be as a, as a gift so I was going through that often I find that engineers with they are in the manufacturing sector perhaps they are not concern with the ethical part of it they are more concern with the, the other engineering aspects of it but this is this book that will date the day I found that this gives lot of idea about how the engineering production needs to look ethics as part of there over all engineering system.

Very interesting book and also the realization that engineering ethics become very important aspects of the day to day functioning often, often organization and of course the person is in the manager Who is actually functioning in that, that organization, therefore they discussion that we

have ad today is all about the strategic management which is the new decision to our word the decision that.

I should say to the thinking of management. And the development of those thoughts that we have been look in at right full day, day of tailor to not in studies with the classical approaches is to the continues approach system approach to the strategic management approach so you can see the journey and it goes on at the subject as also we can see is, is very closet tried within the psycho social system of, of any society so the management system in addition to this technical knowledge.

And as we have see in a some of the ideas like that skill is important knowledge is important all those things in addition to that what we find that is social system becomes very important parameter in changing our managerial thinking so manage the managerial thought okay and it gets and get it into whole aspects of the management functioning today now this make us to some other issues.

Which will relate to the issue of a strategic management and important issue that us come up with the admit of globalization competition and also the social change items say is the issue of comment of an employs in an organizations now we have finding the attraction rate and this challenge of attraction rate can be sort arrested if we have committed manpower otherwise what we will happen that people will joint your company and they will quiet and you have to retrained your people.

And then the know the cost of retreading is so much okay, but if you have committed work for they will be value, they will be antiglare are they will be really be really be giving you good results and therefore commitment again organization commitment becomes an important issue when we are talking about the strategic human resource management on which we are here ,we have done researches on public sector organizations ,the professional working in India were are also working on the general issues.

The commitment how minimum committed to the work and so on so in the next few lectures then we will take up one of these issues and we will talk about it and then of course finally the globalization issue that would relates to management systems so I close here I need our next lecture.

We can continue with some of these aspects, if you have any questions when you one question or I close at this point today's lecture if there is a okay, would you like to have some detail material on each lecture or I will give you at the end all of lectures which you can continue going through whenever you like okay.

INDAIN INSTITUTE OF TECHNOLOGY DELHI

TECHNOVISION

Production Team

V.P.TANEJA

S.THULASEEDHARAN

SHERBAN KUMAR

RITU CHAUDHARY

YAD RAM SHARMA

R.K PILLAI

SANJAY MISHRA

For Further details/information contact:

Head

Educational Technology Services Centre

Indian Institute of Technology

Hauz Khas, New Delhi-110016

Phone: 011-26591339, 6539, 6415

Fax: 91-11-26566917

E-mail: eklavya@admin.iitd.ernet.in

Website: [www, iitd.ernet.in](http://www.iitd.ernet.in)

Produced by

Educational Technology

Services Centre

IIT Delhi