



Management and Commerce

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Abstract:

Management in business and organizations is the function that coordinates the efforts of people to accomplish goals and objectives using available resources efficiently and effectively. Management comprises planning, organizing, staffing, leading or directing and controlling an organization or initiative to accomplish a goal. Resourcing encompasses the deployment and manipulation of human resources, financial resources, technological resources, and natural resources. Management is also an academic discipline, a social science whose object of study is the social organization. So, it's essential that without commerce there is no existence of business as well as in management. Commerce is a heart of management and its functions.

Keywords: *Commerce, Business, Management*

1. What is Management?

Management is defined as the organization and coordination of the activities of an enterprise in accordance with certain policies and in achievement of clearly defined objectives.

- Difficult to define - refer to job title?
- Act on behalf of owners
- Set objectives
- Manage others to achieve objectives
- Ensure that corporate values are maintained

2. Theoretical scope

Management involves the manipulation of the human capital of an enterprise to contribute to the success of the enterprise. This implies effective communication: an enterprise environment (as opposed to a physical or mechanical mechanism), implies human motivation and implies some sort of successful progress or system outcome. As such, management is not the manipulation of a mechanism (machine or automated program), not the herding of animals, and can occur in either a legal as well as illegal enterprise or environment. Based on this, management must have humans, communication, and a positive enterprise endeavor. Plans, measurements, motivational psychological tools, goals, and economic measures (profit, etc.) may or may not be necessary components for there to be management. At first, one views management functionally, such as measuring quantity, adjusting plans, meeting goals. This applies even in situations where planning does not take place. From this perspective, Henri Fayol (1841–1925) considers management to consist of six functions:

1. Forecasting
2. Planning
3. Organizing
4. Commanding
5. Coordinating
6. Controlling

3. Nature of managerial work

In for-profit work, management has as its primary function the satisfaction of a range of stakeholders. This typically involves making a profit (for the shareholders), creating valued products at a reasonable cost (for customers), and providing rewarding employment opportunities for employees. In non-profit management, add the importance of keeping the faith of donors. In most models of management and governance, shareholders vote for the board of directors, and the board then hires senior management. Some organizations have experimented with other methods (such as employee-voting models) of selecting or reviewing managers, but this is rare. In the public sector of countries constituted as representative democracies, voters elect politicians to public office. Such politicians hire many managers and administrators, and in some countries like the United States political appointees lose their jobs on the election of a new president/governor/mayor.

4. Levels of management

Most organizations have three management levels: first-level, middle-level, and top-level managers. These managers are classified in a hierarchy of authority, and perform different tasks. In many organizations, the number of managers in every level resembles a pyramid. Each level is explained below in specifications of their different responsibilities and likely job titles.

4.1 Top-level management

The top consists of the board of directors (including non-executive directors and executive directors), president, vice-president, CEOs and other members of the C-level executives. They are responsible for controlling and overseeing the entire organization. They set a tone at the top and develop strategic plans, company policies, and make decisions on the direction of the business. In addition, top-level managers play a significant role in the mobilization of outside resources and are accountable to the shareholders and general public.

Helpful skills of top management vary by the type of organization but typically include a broad understanding competition, world economies, and politics. In addition, the CEO is responsible for executing and determining (within the board's framework) the broad policies of the organization. Executive management accomplishes the day-to-day details, including: instructions for preparation of department budgets, procedures, schedules; appointment of middle level executives such as department managers; coordination of departments; media and governmental relations; and shareholder communication.

4.2 Middle-level management

Consist of general managers, branch managers and department managers. They are accountable to the top management for their department's function. They devote more time to organizational and directional functions. Their roles can be emphasized as executing organizational plans in conformance with the company's policies and the objectives of the top management, they define and discuss information and policies from top management to lower management, and most importantly they inspire and provide guidance to lower level managers towards better performance. Their functions include:

- Design and implement effective group and inter-group work and information systems.
- Define and monitor group-level performance indicators.
- Diagnose and resolve problems within and among work groups.
- Design and implement reward systems that support cooperative behavior. They also make decision and share ideas with top managers.

4.3 First-level management

Consist of supervisors, section leaders, foremen, etc. They focus on controlling and directing. They usually have the responsibility of assigning employees tasks, guiding and supervising employees on day-to-day activities, ensuring quality and quantity production, making recommendations,

suggestions, and up channeling employee problems, etc. First-level managers are role models for employees that provide:

- Basic supervision
- Motivation
- Career planning
- Performance feedback

5. Basic functions

Management operates through five basic functions: planning, organizing, coordinating, commanding, and controlling.

- **Planning:** Deciding what needs to happen in the future and generating plans for action.
- **Organizing:** Making sure the human and nonhuman resources are put into place
- **Coordinating:** Creating a structure through which an organization's goals can be accomplished.
- **Commanding:** Determining what must be done in a situation and getting people to do it.
- **Controlling:** Checking progress against plans.

6. Basic roles

- **Interpersonal:** roles that involve coordination and interaction with employees
- **Informational:** roles that involve handling, sharing, and analyzing information
- **Decisional:** roles that require decision-making

7. Skills required

1. Political

Used to build a power base and establish connections

2. Conceptual

Used to analyze complex situations.

3. Interpersonal

Used to communicate, motivate, mentor and delegate

4. Diagnostic

Ability to visualize most appropriate response to a situation

5. Leadership

Ability to lead and provide guidance to a specific group

6. Technical

Expertise in one's particular functional area.

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