

Introduction to Business Management

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Quick?reference guide – organized for fast reading and easy review

1. What Is Business Management?

Aspect	Description
Definition	The planning, organizing, leading, and controlling of resources (people, capital, information, technology) to achieve organizational goals efficiently and effectively.
Scope	Covers all functional areas – finance, marketing, operations, human resources, strategy, and innovation.
Goal	Create value for stakeholders (owners, customers, employees, community) while sustaining competitive advantage.

2. Core Functions of Management

Function	Key Activities	Typical Tools
Planning	• Set mission, vision, objectives • Conduct environmental & internal analysis (SWOT, PESTEL) • Develop strategies & action plans	Strategic planning software, Gantt charts, scenario modeling
Organizing	• Design structure (functional, divisional, matrix, network) • Define roles, responsibilities, reporting lines • Allocate resources	Org charts, RACI matrix, ERP systems
Leading (or Directing)	• Motivate & inspire teams • Communicate vision & expectations • Resolve conflicts, foster culture	Leadership styles (transformational, servant), communication platforms, coaching frameworks

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Function	Key Activities	Typical Tools
Controlling	• Set performance standards	
	• Measure actual results (KPIs, dashboards)	Balanced Scorecard, variance analysis, quality control charts
	• Take corrective actions	

Mnemonic to remember: **P?O?L?C** (Plan?Organize?Lead?Control).

3. Levels of Management

Level	Focus	Typical Decision Horizon	Example Roles
Top (Strategic)	Long-term direction, overall policy	3-10+ years	CEO, President, Board of Directors
Middle (Tactical)	Translating strategy into departmental plans	1-3 years	General Manager, Department Head
First-line (Operational)	Day-to-day execution, supervision of front-line staff	Days-weeks	Supervisor, Team Leader, Shift Manager

4. Management Theories – A Quick Timeline

Era	Theory	Main Idea	Practical Takeaway
Classical (1900-1930)	Scientific Management (Taylor)	Optimize tasks through time study & standardization	Use process mapping to eliminate waste
	Administrative Theory (Fayol)	14 principles (e.g., unity of command, scalar chain)	Build clear hierarchies & authority lines
Behavioral (1930-1960)	Human Relations (Mayo)	Social needs affect productivity	Encourage employee participation & morale
	Theory X/Y (McGregor)	Two contrasting assumptions about worker motivation	Tailor leadership style to actual employee behavior

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Era	Theory	Main Idea	Practical Takeaway
Modern (1960? present)	Systems Theory	Organization as an open system interacting with environment	Adopt cross?functional coordination
	Contingency Theory	No one?best way; fit structure to context	Choose structure based on size, technology, environment
	Lean & Six Sigma	Eliminate waste, reduce variation	Apply continuous improvement cycles (DMAIC)
	Agile & Scrum	Flexible, iterative work cycles	Use sprints for product development & project work

5. Key Skills for Effective Managers

Skill	Why It Matters	How to Develop
Strategic Thinking	Aligns	