

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.

Scope of Management.

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 both 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)^[4] considers management to consist of six functions:

1. Forecasting
2. Planning
3. Organizing
4. Commanding

5. Coordinating
6. Controlling

Nature of Management.

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 nonprofit 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.