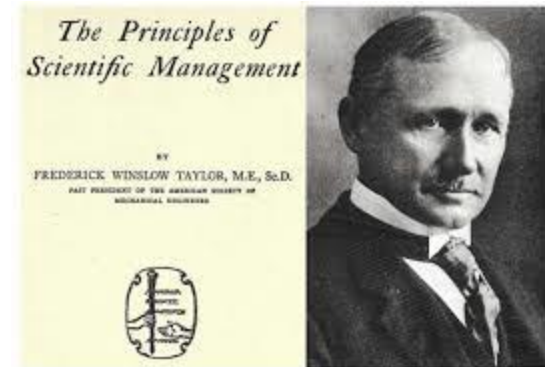
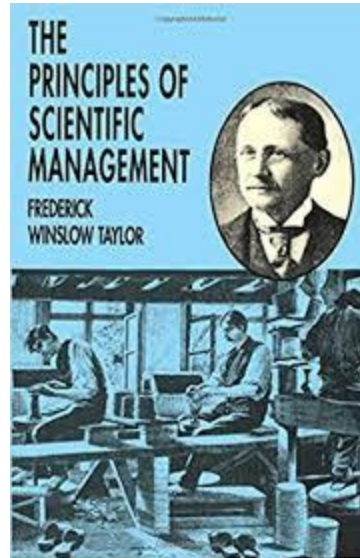
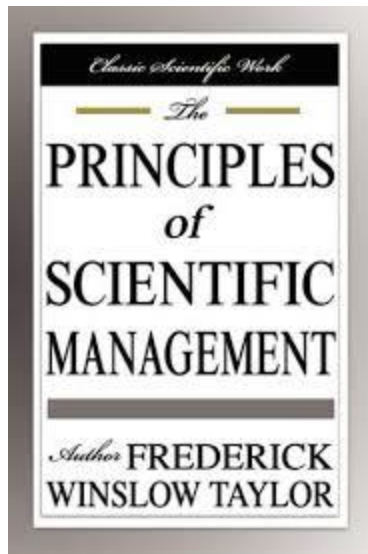


"Principles of Management (Evolution of Management Thought: Theories, School, Models-Public Management: Similarities and Differences with Private Sector).

K.Narendranath Menon
Professor
Institute of Public Enterprise
Hyderabad

- How many of you have **NOT HAD** Public Administration as a course for study thus far?
- How many of you **DO NOT HAVE** a Commerce or Business Management degree?
- How many of you think that **you may one day** or another go to ISB/IIM/Harvard/INSEAD for a training program?
- How many of you think that **YOU MAY** lead a commercial organization one day?
- How many of you agree with the expression **‘LEADERSHIP IS EVERYTHING’**?
- Starts with humility.
- Attitude is everything
- Learning is continuous



Replacing the rule of thumb by scientific methods

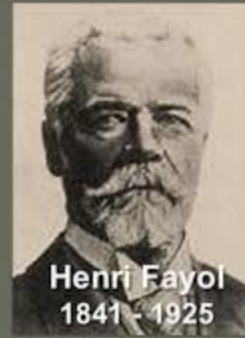
Selecting, training, teaching and developing the workmen

Division of work and Responsibility

Maximum output, not restricted output

Cooperation between management and workmen

Essential to segregate planning from execution



Henri Fayol
1841 - 1925

HENRY FAYOL
(FATHER OF
GENERAL
ADMINISTRATION)

Principles of management

- Division of work
- Authority and Responsibility
- Discipline
- Unity of command
- Unity of direction
- Subordination
- Remuneration
- Centralisation and decentralisation
- Order
- Equity
- Stability of tenure of personnel
- Initiative
- Esprit de corps

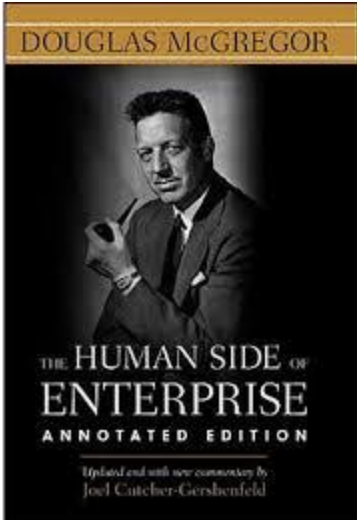


- Hawthorne studies:
- Work is a group activity
- Social work of adult patterned about work activity.
- Need for recognition
- Informal groups exercise strong social controls
- Group collaboration does not happen by accident





Hygiene: Job Dissatisfaction	Motivation: Job Satisfaction
	Achievement
	Recognition
	Work itself
	Responsibility
	Advancement
	Growth
Company Policy and Administration	
Supervision	
Interpersonal Relations	
Working Conditions	
Safety*	
Status	
Security	



SITUATIONAL LEADERSHIP[®] II

THE FOUR LEADERSHIP STYLES



- Twenty-first century mainstream culture is infatuated with the idea and the practice of leadership. We love to dissect a president's popularity ratings, to analyse how a CEO turned around a floundering company into a Fortune 500 company, or how an athletic coach shapes an underperforming team into a world champion.

- It is common wisdom that behind every leader are a team that executes the vision and many followers who support the leader's work. Yet, we rarely talk about the accountability mechanisms that make sure the leadership is on the right course.
- Any leader and all teams, organizations and nations succeed in the long run because of the strategic support and expert oversight they receive that keep them and their organizations on the right path. Governance, which includes boards, monitoring systems and signalling mechanisms like codes of conduct, ensures the success of leadership visions and organizational potential in the long run.

- Corporate governance acts as an organization's "inner ear". Just as a person's inner ear is not visible to an outside observer when a person walks straight, an organization's governance structure and culture is rarely visible in the day-to-day operations of the organization.

- However, when a person's inner ear is not functioning, we can see the symptoms and effects in the way a person walks: her trajectory seems haphazard, her pace is uneven and she is more likely to lose her balance and direction. Likewise, when an organization does not have good governance, we see the symptoms and effects of not having proper guidance and oversight.
- When an organization faces an accounting, regulatory or compliance problem, it is almost always linked to a lack of oversight.
- When an organization misses the mark on an important strategic milestone or growth opportunity, it is often because the management team did not receive the strategic guidance and support to ensure its success.
- In short, good governance may not be visible to the average person, but its absence is usually apparent when a social enterprise fails to reach its potential.

Feature	Public Sector	Private Sector
General Strategic Goal	mission effectiveness	competitiveness
General Financial Goals	cost reduction; efficiency	profit; growth; market share
Values	accountability to public; integrity; fairness	innovation; creativity; good will; recognition
Desired Outcome	customer satisfaction	customer satisfaction
Stakeholders	taxpayers; inspectors; legislators	stockholders; owners; market
Budget Priorities Defined by:	leadership; legislators; planners	customer demand
Justification for secrecy	national security	protection of intellectual capital; proprietary knowledge
Key Success Factors	best management practices	growth rate; earnings; market share
	sameness; economies of scale	uniqueness
	standardized technology	advanced technology

Performance management implementation should help public sector organizations to address the performance challenges they face. Some of them are listed below.

Satisfy stakeholders' needs and expectations. Performance management involves setting objectives and targets that are in accordance with stakeholders' needs and expectations. It focuses the organizations' resources and efforts toward achieving results that will provide appropriate benefit to their stakeholders.

Results improvement within resource constraints. Public sector organizations are constantly challenged to provide high-quality services and improved outcomes within limited resources. Performance management addresses this challenge by promoting the application of effective and efficient approaches and by encouraging a culture of continuous improvement in order to get the best results for the least amount of resources.