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**FACULTY OF ECONOMICS, BUSINESS AND MANAGEMENT**

**DEPARTMENT OF MANAGEMENT**

**Management and Administration**

**1-Features of Management:**

Management is an activity concerned with guiding human and physical resources such that organizational goals can be achieved. The highlighted features can be as:

**2.1-** **Management is Goal-Oriented:** The success of any management activity is assessed by its achievement of the predetermined goals or objective. For example, the goal of an enterprise is maximum consumer satisfaction by producing quality goods and at reasonable prices.

**2.2.** **Management Integrates Human, Physical and Financial Resources:** In an organization, human beings work with non-human resources like machines. Materials…etc. Management integrates human efforts to those resources.

**2.3.** **Management is Continuous:** Management is an ongoing process. It involves continuous handling of problems and issues. It is concerned with identifying the problem and taking appropriate steps to solve it.

**2.4.** **Management is a Group Activity:** Management is very much less concerned with individual’s efforts. It is more concerned with groups. It involves the use of group effort to achieve predetermined goal of management.

**2-Management and Administration:**

  According to Newman, “Administration means guidance, leadership and control of the efforts of the groups towards some common goals”. In another words, it refers to the activities of higher level. It lays down basic principles of the Enterprise.

The difference between management and administration can be explained in two categories in the table below:

**2.1.** **Based on Function:**

|  |  |  |
| --- | --- | --- |
| **basis** | **Management** | **Administration** |
| **Meaning** | Management is an art of getting things done through others by directing their efforts towards achievement of pre-determined goals. | It is concerned with formulation of broad objectives, plans and policies. |
| **Nature** | Management is an executing function. | Administration is a decision-making function. |
| **process** | Management decides who should as it and how should he dot it. | Administration decides what is to be done & when it is to be done. |
| **Function** | Management is a doing function because managers get work done under their supervision. | Administration is a thinking function because plans and policies are determined under it. |
| **Skills** | Technical and Human skills. | Conceptual and Human skills |
| **level** | Middle and lower level function. | Top level function. |

**2.2. Based on Usage:**

|  |  |  |
| --- | --- | --- |
| **Basis** | **management** | **administration** |
| **Applicability** | It is applicable to business concerns i.e. profit-making organization. | It is applicable to non-business concerns i.e. clubs, schools, hospitals etc. |
| **Influence** | The management decisions are influenced by the values, opinions, beliefs and decisions of the managers. | The administration is influenced by public opinion, govt. policies, religious organizations, customs etc. |
| **Status** | Management constitutes the employees of the organization who are paid remuneration (in the form of salaries and wages). | Administration represents owners of the enterprise who earn return on their capital invested and profits in the form of dividend. |

Practically, there is no difference between management and administration. Every manager is concerned with both - administrative management function and operative management function as shown in the figure.