

1.8 MANAGEMENT AND ADMINISTRATION

The term administration and management are used synonymously. Some writers urge that running of a business requires skills, which is known as management, and functioning of government departments and non-profit institutions requiring skill is known as administration. Various views expressed by thinkers of management led to the emergence of three approaches:

- (1) Administration is above management.
- (2) Administration is a part of management.
- (3) Management and administration are same.

According to classical thinkers, Administration is above management so far as different in the organization are concerned. According to Spreigal, "Administration is that phase of business enterprise that concerns itself with the overall determination of institutional objectives and the policies necessary to be followed in achieving those objectives. Management on the other hand is an executive function which is primarily concerned with carrying of broad policies laid down by the administration". This implies that administration deals with establishing objectives and policies and is done by the top level whereas management is the execution of these policies by the middle and lower organizational level. Table 1.4 shows the distinction between administration and management.

Table: 1.4: Differences between administration and management

Basis of difference	Administration	Management
1. Level of organization	Top Level	Middle and Lower Level
2. Major focus	Policies formulation and objective determination	Policies execution for objectives achievements
3. Nature of function	Determinative	Executive
4. Scope of functions	Broad & Conceptual	Narrow & Operational
5. Factors affecting decision	Mostly external	Mostly internal
6. Employer – Employee relation	Entrepreneurs & Owners	Employee
7. Qualities required	Administrative	Technical

E. El. Brech urges that administration is a part of management. According to Brech, "Management is a generic name for the total process of executive control in industry or commerce. It is a social process entailing responsibility for the effective and economical planning and regulation of the operation of an enterprise in the fulfilment of a given purpose or risk. Administration is that part of management which is concerned with the installation and carrying out of procedures by which it is laid down and communicated, and the process of activities regulated and checked against plans. According to this view, administration become a subordinate function to overall management function. According to the third approach, which is the most popular and practical one, management and administration are same. Both involve the same functions, principles and objectives. The term administrator found its origin in bureaucratic structure of government or in regulation of some laws. The government often uses the term administrator, who is supposed to execute broad policies laid down by government.

The basic point of controversy between management and administration lies in forms of coverage of activities. The content of policy formulation is higher at higher levels; it is lower at lower levels, while executive is more at lower levels and lower at higher levels. Hence, it becomes unimportant whether policy formulation function is known as administration or management.

Arrastra la referencia de estos pronombres:

- which (line 14)

- which (line 3)

- which (line 28)

- that (line 12)

- which (line 24)

- who (line 32)

- it (line 22)
