1.2 MANAGER Vs ENTREPRENEUR

The terms entrepreneur and manager are considered one and the same. But the two terms have different meanings.

Manager is a person who is responsible for performing the functions of management such as planning, organizing and directing the group towards the goals of management.

Entrepreneur is also a person who starts the business and utilizes the resources of men, money, materials and machines.

The difference between entrepreneur and manager is given in the flowing Table.

Sl.No.	Criteria	Entrepreneur	Manager
1	Motive	The main motive of an entrepreneur is to start a venture by setting up an enterprise. He understands the venture for his personal gratification.	But, the main motive of a manager is to render his services in an enterprise already set up by someone else i.e., entrepreneur.
2	Status	An entrepreneur is the owner of the enterprise.	A manager is the servant in the enterprise owned by the entrepreneur.
3	Risk Bearing	An entrepreneur being the owner of the enterprise assumes all risks and uncertainty involved in running the enterprise.	A manager as a servant does not bear any risk involved in the enterprise.
4	Rewards	The reward an entrepreneur gets for bearing risks involved in the enterprise is profit which is highly	A manager gets salary as reward for the services rendered by him in the enterprise. Salary of a

		uncertain.	manager is certain and fixed.
5	Innovation	Entrepreneur himself thinks over what and how to produce goods to meet the changing demands of the customers. Hence, he acts as an innovator also called a 'change agent'	But, what a manager does is simply to execute the plans prepared by the entrepreneur. Thus, a manager simply translates the entrepreneur's ideas into practice.
6	Qualifications	An entrepreneur needs to possess qualities and qualifications like high achievement motive, originality in thinking, foresight, risk -bearing ability and so on.	On the contrary, a manager needs to possess distinct qualifications in terms of sound knowledge in management theory and practice

1.2.1 Manager

A manager is someone whose primary activities are a part of the management process. In particular, a manager is someone who plans, organizes, leads, and controls human, financial, physical, and information resources."

The success or failure of an organization depends heavily on the ability of its managers to perform these tasks effectively. Managers can be classified in two ways: by their level within the organization and by the scope of their responsibilities.

1.2.2 Types of Managers

Managers are mostly typecast according to the different types of management styles, personality, function and involvement. The role of a manager, on a general note, is to get things done by others by making optimum use of available resources, exercising authority over and taking responsibility for all such resources that are allocated to be under his/her supervision.

Based on organizational functions, the following manager types in a standard commercial organization.

1. **Purchase Manager** who is responsible for procuring raw materials in a manufacturing company.
2. **Production Manager** who is responsible for managing the manufacturing process.
3. **IT Manager** who is responsible for supervising all computing and IT communication related issues.
4. **Marketing Manager** who is responsible for supervising the promotion and advertising of the company's products/services.
5. **Sales Manager** who looks after the sales department and sets targets for sales personnel and appraises their performance on the basis of the extent of target achievement.
6. **Finance Manager** who is responsible for the financial management of the organization.
7. **Human Resources Manager** who is responsible for the HR department and oversees all human resource management functions like recruitment, payroll, attendance, employee exit, etc. besides displaying all basic management skills.
8. **Product Development Manager** who is authorized with the management of the technical division of new product design and product innovation.

Other than these, a standard company may have a general manager and an operational manager, depending upon the type and scale of its operations. Software development and testing companies also have two types of project managers

1. Functional project managers who are deeply involved with every

technical aspect of the project

2. Activity or resource managers who manage the operational and people part of the project, leaving the technical aspects to his subordinate IT professionals.

In most companies these days, we can see another school of managers called case managers. These case managers are chiefly vested with the responsibility of attending to employees' medical well-being There are, broadly, two types of case managers –

1. Medical case managers who are responsible for getting medical aid for emergency medical contingencies of the employees and
2. Liaison case managers who act as the mediator between the medical professionals and the employer organization.

1.2.3 Types of Managers Based on Management Styles

There can be the following sorts of managers based upon the four most prominent types of management styles. Each subheading underlines different aspects of management styles and techniques.

The Authoritarian Manager is one who is the sole decision maker for his management unit and prefers his subordinates to perform their tasks exactly as outlined by him. In a way, this type of manager makes work easier for the employee as the latter knows exactly what is expected of him/her and the way in which the task is to be performed. The thinking part is left to the boss while the doing part lies with the subordinate. This type of manager displays management skills of strong leadership and direction but may lack the skill for delegation.

The Democratic Manager is that person who believes in majority consensus and takes any decision only after consulting his/her subordinates. This type of manager displays participative management style by allowing his subordinates' participation in the decision-making process, giving them a sense of belonging and deeper involvement in the organizational fabric.

The Paternalistic manager is the one who acts like a parent figure to his subordinates and makes sure to regularly bond with his subordinates to listen to their professional issues and lend a helping hand to ease their operational difficulties. A paternalistic manager encourages his subordinates to work as a family and be supportive of the collective effort for the bigger organizational well-being.

The Laissez Faire Manager communicates the tasks to be performed by his subordinates and sets targets and deadlines for the completion of such tasks. Thereafter he leaves the method to the subordinates. As long as the employees complete the task in line with the organizational standards and within the specific deadline, it doesn't matter what methods are employed by them to do so.

1. THE PROBLEM-SOLVING MANAGER

The Problem-Solving Manager is task driven and focused on achieving goals. These problem-solvers are constantly putting out fires and leading their teams. The paradox here is this: It is often the manager who creates the very problems and situations that they work so hard to avoid. Continually providing solutions often results in the lackluster team performance they are working so diligently to eliminate.

2. THE PITCHFORK MANAGER

People who manage by pitchfork lead their teams with a heavy and often controlling hand: demanding progress, forcing accountability, prodding and pushing for results through the use of threats and fear tactics. This style of tough, ruthless management is painful for employees who are pushed to avoid consequences rather than pulled toward a desired goal.

3. THE PONTIFICATING MANAGER

These managers will readily admit they don’t follow any particular type of management strategy. Instead, they shoot from the hip, making it up as they go along and often generating sporadic, inconsistent results. Because of this, they often find themselves in situations they are unprepared for. Interestingly, the Pontificating Manager thrives on situations like this.

4. THE PRESUMPTUOUS MANAGER

Presumptuous Managers focus more on themselves than anything else. Their personal production, recognition, sales quotas, and bonuses take precedence over their people. As you can imagine, these managers experience more attrition, turnover, and employee problems than any other type of manager.

Presumptuous Managers are typically assertive and confident individuals; however, they are too often driven by their egos to look good and outperform the rest of the team. Presumptuous Managers breed unhealthy competition rather than an environment of collaboration.

5. THE PERFECT MANAGER

Perfect Managers are open to change and innovation, and committed to improving and evolving as sales managers. But in their search for the latest and greatest approach, Perfect Managers (like Pontificating Managers) never get to experience the benefit of *consistency*.

This manager is a talking spec sheet. Their emphasis on acquiring more facts, figures, features, and benefits overshadows their ability to recognize the critical need for soft skills training around the areas of presenting, listening, questioning, prospecting, and the importance of following an organized, strategic selling system. Perfect Managers rely on their vast amount of product knowledge and experience when managing and developing their salespeople. Because of this great imbalance, these managers often fall short on developing interpersonal skills that would make them more human than machine.

6. THE PASSIVE MANAGER

Also referred to as Parenting Managers or Pleasing Managers, Passive Managers have one ultimate goal: to make people happy. While this is certainly an admirable trait, it can quickly become a barrier to effective leadership.

You can spot a Passive Manager by looking at their team and assessing the number of people who should have been fired long ago. Because all that Passive Managers want to do is please, they are timid in their management approach. These managers will do anything to avoid confrontation and struggle with holding their people accountable for failures or shortcomings.

7. THE PROACTIVE MANAGER

The Proactive Manager encompasses all the good qualities that the other types of managers possess, yet without their pitfalls. Here are the characteristics this ideal manager embodies, which you should strive to develop yourself. The Proactive Manager possesses:

- The drive to support others and spearhead solutions like the Problem-Solving Manager
- The persistence, edge, and genuine authenticity of the Pitchfork Manager
- The enthusiasm, passion, charm, and presence of the Pontificating Manager
- The confidence of the Presumptuous Manager
- The knowledge, sales acumen, efficiency, focus, and passion of the Perfect Manager
- The respectfulness, sensitivity, nurturing ability, and humanity of the Passive Manager

The Proactive Manager is the ultimate manager and coach, and a testimonial to the skills and coaching competencies every manager needs to develop in order to build a winning team.

MANAGERIAL ACTIVITIES /PRINCIPLES OF MANAGEMENT

The management activities are known as principles of management which are as follows:

- Forecasting and Planning,
- Organizing
- Commanding,
- Co-ordaining and Controlling

Forecasting and Planning

Planning means looking ahead or to foresee. To foresee means, “Both to assess the future and make provision for it. To plan means to foresee and provide means for future.

The process of planning includes:

The identification of organizational goals. The aim of any insurance company is to insure life or property of the human being. The goal is to insure maximum number of person or the property so that the risk can be spread on number of persons. The line of action to be followed. Once aim is set to insurer human being or property then the next step is how to insure human beings or property. The action will be to create a Marketing Department for a company.

The various stages through which the action would pass: To sell the insurance product only marketing department at one place i.e head office cannot achieve the results therefore various offices at different location to be set up to sell the insurance products. The method to be used to achieve the desired goals: The next issue comes how to sell the insurance products. Whether it should be through Agents or Corporate Agent or Broker. Accordingly the action of the insurance company will start to recruit the manpower.

Organizing

To organize means building up the dual structure, material and human of the organization. To organize means to provide the organization with everything useful to its functioning raw material, tools, capital and personnel.

Example: An insurance company may not require the raw material but it requires other material i.e. tool (computers), capital and personnel. A sound organization should have the following to achieve the good relationship between material and human.

A single competent and energetic guiding authority: There should be a single person to be overall in-charge of the organization who will report to the Board of directors. Like Chief Executing Officer (CEO) or Managing Director is appointed in all organization whether it is insurance or other type of organization. Irrespective of the size of the organization.

Efficient selection of personnel: Any organization is run by the human beings therefore it is always endeavor of the CEO /Managing Director to recruit the manpower weather technical or finance or marketing the person should be intelligent and efficient. It saves the cost because the efficient people understand the working of the organization and take the decisions quickly. In an insurance industry the trained manpower is required because the insurance policies ate technical in nature and requires lot of skill to make the understand to the customer

Clear definition of duties at all levels: The duties of each employee should be defined to get the better results from the employees. If duties are not defined then the employees will be confused what to do or not to do. In an insurance company the target should be given to the marketing personnel to insure so many lives or property and being a marketing function, it should not be assigned to Finance Department. Moreover there will be many employees in the department the target should be given to the Head of the Department and then he will assign the targets to his juniors at different locations.

Initiative and responsibility: The management should ensure that employees take initiative to complete the job assigned to them. The employees should be held responsible for not doing the things. In an insurance company the marketing team should be very strong to sell the insurance products. The team should take initiative to meet the number of persons to get the insurance business. The team should not wait for the instruction of their superiors to meet the customers.

Minimum paper work: In the computer era the paper work can be reduced and the employees of the organization should maximum use the computers to save paper work. In insurance the marketing team should send the daily performance report through email which will reduce the paper work.

Reward & efficiency: The good performers should be awarded cash or non- cash award which boost the moral and efficiency of the employees.

Unit of command: Every employee should report to one superior not to more than otherwise the performance and controlling of the employees will be very difficult.

Clear and precise decision making: Any decision taken by any employee should not be ambiguous i.e double meaning because it creates confusion.

Proper control

Disincentives for faults and error:

For any fault of any employee or non-performer should be penalized otherwise it will affect the working of the performers.

Supremacy of general interest in relation to individual etc.: Any individual interest should not be clash with the organization interest. The organization interest should be protected.

Commanding

It means setting the business going to get the desired optimum results from the subordinates. The managers must possess the requisites personal qualities and knowledge to command effectively. The managers must

- Have a thorough knowledge of his personnel
- Have capacity to spot the right and competent workers so as to eliminate the incompetent
- Set a good example i.e leadership
- Conduct periodic assessment or audit of performance
- Be well versed in agreement binding the business and its employees
- Have lively and constant touch with subordinates
- Aim at making unity, energy imitative and loyalty prevail among personnel

Coordinating

It means the process developed by a manger to secure an orderly pattern of group effort among his personnel through unity of action to pursue the common goals. The coordination should be within the resources available in the organization.

Controlling

The controlling means to ensure that everything is done in accordance with the established rules and instruction given to the workmen. The purpose of control is to point out weaknesses and errors in order to rectify them and prevent their recurrence.

The effective control must be

- Prompt,
- Followed with sanctions and
    - Include measure to prevent recurrence of variances a or error.