

## **M. Ed. Semester : IV , Course: 2.4.3 Unit-III PART- 7**

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### **Difference between Administration and Management – Various Viewpoints**

There is a controversy on the use of these terms. Some authors say that administration and management are the same thing and there is no difference between the two words while others feel that they are different, various viewpoints are discussed as such –

#### **1. Administration is above Management:**

Administration is concerned with the laying down of basic objectives and broad policies of an organisation, while management is concerned with performing various functions such as- planning, coordinating and controlling for attaining organisational objectives.

Oliver Sheldon was the first person to make a distinction between administration and management.

According to him, “Administration is the function in industry concerned with the determination of corporate policy, the co-ordination of finance, production and distribution, the settlement of compass (structure of the organisation), and ultimate control of the executive. Management, on the other hand, is the function in industry concerned with the execution of policy within the limits set up by the administration, and the employment of the organisation for the particular objectives set before it.

Administration defines the goal, management strives towards it.”

The other American authors like Ordway Tead, Florance, Lansburg, and Haiman are also of the view that administration involves decision-making and policy formulation, while management deals with execution and

supervisory work. So American authors take administration as a wider term than management.

## **2. Administration is a Part of Management:**

European school of thought holds the view that administration is a part of management. Brech has propounded this view. In his words, “Management is the generic term for the total process of executive control involving responsibility for effective planning and guidance of the operations of an enterprise. Administration is that part of management which is concerned with the installation and carrying out of the procedures by which the programme is laid down and communicated and the progress of activities is regulated and checked against plans.”

Kimball and Kimball and Rickman were also of the same view.

Administration is that part of management which involves doing routine things in a known setting. So European view is exactly the opposite to the American view point.

## **3. Administration and Management are One:**

Some authors are of the view that administration and management are used interchangeably and there is no distinction between the two. In the words of Newman, “Management or administration is the guidance, leadership and control of the efforts of a group of individuals towards some common goods.” In Henry Fayol’s opinion every undertaking requires same functions and observes same principles.

Other authors such as George Telly, Allen, Koontz and O’Donnell also feel that both the terms mean the same thing. In general practice administration is used more in government or other public organisations while management is used in business world.

There is no separate staff to perform these functions. All managers, regardless of their level perform the same functions. The higher up in the hierarchy, however, the more time will be spent in administrative activity and the less in management activity is the manager's daily routine. Administration is done at top level by deciding policies and execution is done at lower level which is management. It can be said that these are the two activities which are performed at different levels of management.