

Management — Optional Syllabus

UPSC Civil Services (Main) Examination

How organisations are run — managerial functions, finance, marketing, HR and strategy.

Paper I	250 marks	3 hours
Paper II	250 marks	3 hours
Optional total	500 marks	Counts toward the Mains merit

Paper I syllabus 250 marks · 3 hours

1. Managerial Function and Process :

- Concept and foundations of management, Evolution of Management Thoughts; Managerial Functions— Planning, Organizing, Controlling; Decision-making; Role of Manager, Managerial skills; Entrepreneurship; Management of innovation; Managing in a global environment, Flexible Systems Management; Social responsibility and managerial ethics; Process and customer orientation; Managerial processes on direct and indirect value chain.

2. Organisational Behaviour and Design :

- Conceptual model of organization behaviour; The individual processes—personality, values and attitude, perception, motivation, learning and reinforcement, work stress and stress management; The dynamics of Organization behaviour—power and politics, conflict and negotiation, leadership process and styles, communication; The Organizational Processes—decision-making, job design; Classical, Neoclassical and Contingency approaches to organizational design; Organizational theory and design—Organizational culture, managing cultural diversity, learning Organization; Organizational change and development; Knowledge Based Enterprise—systems and processes; Networked and virtual organizations.

3. Human Resource Management :

- HR challenges; HRM functions; The future challenges of HRM; Strategic Management of human resources; Human resource planning; Job analysis; Job evaluation, Recruitment and selection; Training and development; Promotion and transfer; Performance management; Compensation management and benefits; Employee morale and productivity; Management of Organizational climate and Industrial relations; Human resources accounting and audit; Human resource information system; International human resource management.

4. Accounting for Managers :

- Financial accounting—concept, importance and scope, generally accepted accounting principles, preparation of financial statements with special reference to analysis of a balance sheet and measurement of business income, inventory valuation and depreciation, financial statement analysis, fund flow analysis,
- the statement of cash flows; Management accounting concept, need, importance and scope; Cost accounting—records and processes, cost ledger and control accounts, reconciliation and integration between financial and cost accounts; Overhead cost and control, Job and process costing, Budget and budgetary control, Performance budgeting, Zero-base budgeting, relevant costing and costing for decision- making, standard costing and variance analysis, marginal costing and absorption costing.

5. Financial Management :

- Goal of Finance Function. Concepts of value and return. Valuation of bonds and Shares; Management of working capital : Estimation and Financing; Management of cash, receivables, inventory and current liabilities; Cost of capital ; Capital budgeting; Financial and operating leverage; Design of capital structure: theories and practices; Shareholder value creation: dividend policy, corporate financial policy and strategy, management of corporate distress and restructuring strategy; Capital and money markets: institutions and instruments; Leasing hire purchase and venture capital; Regulation of capital market; Risk and return: portfolio theory; CAPM; APT; Financial derivatives: option, futures, swap; Recent reforms in financial sector.

6. Marketing Management :

- Concept, evolution and scope; Marketing strategy formulation and components of marketing plan; Segmenting and targeting the market; Positioning and differentiating the market offering; Analyzing competition; Analyzing consumer markets; Industrial buyer behaviour; Market research; Product strategy; Pricing strategies; Designing and managing Marketing channels; Integrated marketing communications; Building customer satisfaction, Value and retention; Services and non-profit marketing; Ethics in marketing; Consumer protection; Internet marketing; Retail management; Customer relationship management; Concept of holistic marketing.

Paper II syllabus 250 marks · 3 hours

1. Quantitative Techniques in Decision-making :

- Descriptive statistics—tabular, graphical and numerical methods, introduction to probability, discrete and continuous probability distributions, inferential statistics-sampling distributions, central limit theorem, hypothesis testing for differences between means and proportions, inference about population variances, Chi-square and ANOVA, simple correlation and regression, time series and forecasting, decision theory, index numbers; Linear programming—problem formulation, simplex method and graphical solution, sensitivity analysis.

2. Production and Operations Management :

- Fundamentals of operations management; Organizing for production; Aggregate production planning, capacity planning, plant design: process planning, plant size and scale of operations, Management of facilities; Line balancing; Equipment replacement and maintenance; Production control; Supply chain management—vendor evaluation and audit; Quality management; Statistical process control, Six Sigma; Flexibility and agility in manufacturing systems; World class manufacturing; Project management concepts, R&D management, Management of service operations; Role and importance of materials management, value analysis, make or buy decision; Inventory control, MRP; Waste management.

3. Management Information System :

- Conceptual foundations of information systems; Information theory; Information resource management; Types of information Systems; Systems Development—Overview of Systems and Design; System Development management life-cycle, Designing online and distributed environments; Implementation and control of project; Trends in information technology; Managing data resources—Organising data. DSS and RDBMS; Enterprise Resource Planning (ERP), Expert systems, e-Business architecture, e-Governance;
- Information systems planning, Flexibility in information systems; User involvement; Evaluation of information systems.

4. Government Business Interface :

- State participation in business, Interaction between Government, Business and different Chambers of Commerce and Industry in India; Government's policy with regard to Small Scale Industries; Government clearances for establishing a new enterprise; Public Distribution System; Government control over price and distribution; Consumer Protection Act (CPA) and The Role of Voluntary Organizations in protecting consumers' rights; New Industrial Policy of the Government : liberalization, deregulation and privatisation; Indian planning system; Government policy concerning development of Backward areas/regions; The Responsibilities of the business as well as the Government to protect the environment; Corporate Governance; Cyber Laws.

5. Strategic Cost Management :

- Business policy as a field of study; Nature and scope of strategic management, Strategic intent, vision, objectives and policies; Process of strategic planning and implementation; Environmental analysis and internal analysis; SWOT analysis; Tools and techniques for strategic analysis—Impact matrix: The experience curve, BCG matrix, GEC mode, Industry analysis, Concept of value chain; Strategic profile of a firm; Framework for analysing competition; Competitive advantage of a firm; Generic competitive strategies; Growth strategies—expansion, integration and diversification; Concept of core competence, Strategic flexibility; Reinventing strategy; Strategy and structure; chief Executive and Board; turnaround management; Management of strategic change; Strategic alliances, Mergers and Acquisitions; Strategy and corporate evolution in the Indian context.

6. International Business :

- International Business Environment : Changing composition of trade in goods and services; India's Foreign Trade: Policy and trends; Financing of International trade; Regional Economic Cooperation; FTAs; Internationalisation of service firms; International production; Operation Management in International companies; International Taxation; Global competitiveness and technological developments; Global E- Business; Designing global organisational structure and control; Multicultural management; Global business strategy; Global marketing strategies; Export Management; Export-Import procedures; Joint Ventures; Foreign Investment: Foreign direct investment and foreign portfolio investment; Cross-border Mergers and Acquisitions; Foreign Exchange Risk Exposure Management; World Financial Markets and International Banking; External Debt Management; Country Risk Analysis.

Syllabus as per the official UPSC Civil Services (Main) Examination notification. Study notes for this optional are being added on RaahUPSC — raahupsc.com.