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TALK ON MANAGEMENT AUDIT BY GURUPRASAD MURTHY (7-8-1979)

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1. Management audit means the audit of the management process. It implies the existence of a tool which will, from time to time, exercise a reconnaissance over the 'modus operandi' of management itself, the word management used in the broadest sense of the term. It involves an appraisal of the activities of an organisation.
2. Management audit by its adequately discreet but sufficiently curious review should be able to perform two critical functions:
  - \* assess the retrospect operations for its qualitative and quantitative integrity; and
  - \* identify the prospective operations needed to retain the high attainments of the past or restore the future performance to acceptable levels.
3. Management Audit is an attempt to check the qualitative and quantitative dimensions involved in the health of an organisation or any segment thereof.
4. Audit of objective is the starting point.
5. Organisational objective can be oriented or expressed in favour of one function instead of another.
- 5a. Management audit in this regard should invite a critical look into the justification for this partial flavour.
6. Today corporate strategy in the consumer goods industry is essentially 'marketing oriented'. It is expressed in terms of 'market share', 'market growth rate', 'market segmentation', 'milking the brand' and 'launching of product's at a time and in a manner which favourable cuts across the intended market segment. The consumer oriented industries and the pharmaceuticals industries in particular fit very well into what Drucker says - "Marketing is the distinguishing, the unique function of the business".

