Paper –Principles and Practice of Management Dr. James Hussain
Paper Code-MB-101, Assistant Professor (Guest Faculty)
MBA, Sem-I Email.-mbajames123@gmail.com

Topic- Features of Systems Approach

(i) A system consists of interacting elements. It is set of inter-related and inter-dependent parts arranged in a manner that produces a unified whole.

(ii) The various sub-systems should be studied in their inter-relationships rather, than in isolation from each other.

(iii) An organisational system has a boundary that determines which parts are internal and which are external.

(iv) A system does not exist in a vacuum. It receives information, material and energy from other systems as inputs. These inputs undergo a transformation process within a system and leave the system as output to other systems.

(v) The boundary of a system classifies it into two parts: closed system and open system. All living organisms are open systems while all non-living systems are closed systems. The major differences between the two will be identified shortly.

(vi) System transforms inputs into outputs. This transformation process is essential for the survival of the system. There are three aspects involved in this transformation process: inputs, mediator, outputs. Inputs are taken from the environment. transformed into outputs, and given back to the environment. Various inputs may be in the form of information, money, materials, human resources, etc. Outputs may be in the form of goods and services. The total relationship may be called as input output process and system works as mediator in this process. However, in

this process, the system restores some of the inputs taken from the environment. Restoring the inputs taken from the environment helps the sytem maintain its structure and avoid decay and death. Thus, the system can grow over the period of time. For example, a business organisation survives and grows over the period of time by earning profit in the process of transforming inputs into outputs. Profit is essential for the organisations to survive.