

PRINCIPLES OF MANAGEMENT

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Organizing

UNIT - III (SYLLABUS)

Organizing: Types of Organisations - Organisations Structure - Span of Control and Committees - Departmentalisation - Informal Organisations. Authority - Delegation - Decentralisation - Difference between Authority and Power - Responsibility.

Organizing

Organisation is designed on the basis of principles of division of labour and span of management.

Definition:

“The problem of an organisation is to select and combine the efforts of men of proper characteristics so as to produce the desired results.”

Kimball and Kimball

Types of Organizing

1. Line, Military or Scalar organisation
2. Functional organisation
3. Line and Staf organisation
4. Committee organisation
5. Project organisation
6. Matrix organisation
7. Freeform organisation

Types of Organizing

Line, Military or Scalar organisation

LINE ORGANISATION

BOARD OF DIRECTORS

GENERAL MANAGER

PURCHASE MANAGER

PURCHASE ASSISTANTS

WORKERS

Types of Organizing

Line, Military or Scalar organisation

LINE ORGANISATION

BOARD OF DIRECTORS

GENERAL MANAGER

PRODUCTION MANAGER

FOREMAN

WORKERS

Types of Organizing

Line, Military or Scalar organisation

LINE ORGANISATION

BOARD OF DIRECTORS

GENERAL MANAGER

SALES MANAGER

SUPERVISOR

WORKERS

Types of Organizing

Line, Military or Scalar organisation

LINE ORGANISATION

BOARD OF DIRECTORS

GENERAL MANAGER

FINANCIAL MANAGER

SUPERINTENDENT

WORKERS

Types of Organizing

Functional organisation

FUNCTIONAL ORGANISATION

Engineer

Superintendent

Chemist



Route Clerk

Instruction
Card Clerk

Time and
Cost Clerk

Disciplinarian

Gang
Boss

Speed Boss

Inspector

Repair Boss



Workers

Types of Organizing

Line and Staf organisation

Personal Staff

Spcialised Staff

General Staff Assistant

Types of Organizing Committee organisation

Advisory Committee or Problem Solving Committee

Fact-finding Committee

Action Committee or Executive Committee

Types of Organizing

Effective Functioning of a Committee

Clear Objectives

Size of the committee

Selection of meetings

Role of committee

Role of chairman

Preparation for a meeting

Follow-up

Evaluation

Selection of subject matter

Types of Organizing

Project organisation

Coordination of activities

Grouping of activities new line of authority

Responsibility is fixed for each group

Types of Organizing

Matrix organisation

Achievement of objectives

Best utilisation of resources

Appropriate structure

Flexibility

Motivation

Personal development

Types of Organizing

Freeform organisation

- Without following Policies
- Guideliness
- Rules and Regulations
- According to the situations
- Experience and Competence
- No channel of communication it may flow in any direction
- Absence of a formal structure

SPAN
OF
MANAGEMENT

SPAN OF MANAGEMENT

Span of Management means the number of people managed efficiently by a single officer in an organisation.

If the number of members is too large, it will be difficult to manage the persons and perform the work effectively.

FACTORS AFFECTING THE SPAN OF MANAGEMENT

1. Character of the supervision work
2. Leadership qualities
3. Qualities of the subordinate
4. Time available to supervisor
5. Nature of work
6. Level of supervision
7. Delegation of responsibility
8. Using of standards
9. Methods of communication
10. Fixation of responsibility

COMMITTEES

COMMITTEES

Advisory Committee or Problem Solving Committee

Fact-finding Committee

Action Committee or Executive Committee

COMMITTEES

Functions of a Committee

- Collect & Arrange th information from different sources.
- The Collected information is critically analysed.
- Ensure in future the Actual Performance with Standard Performance which is formulated.
- Frame the Policies of the organisation.
- The Committee has to select personnel to carry out the business operations.
- Directing and Controlling the officers at regular intervals to achieve the goals of the organisations.

COMMITTEES

Recommendations for Effective Functioning of a Committee

Clear Objectives

Size of the committee

Selection of meetings

Role of committee

Role of chairman

Preparation for a meeting

Follow-up

Evaluation

Selection of subject matter

DEPARTMENTATION

DEPARTMENTATION

MEANING:

The process by which similar activities of the business are grouped into units for the purpose of facilitating smooth administration at all levels.

Departmentation refers to the classification of activities on operations of an undertaking into functionalised categories.

Department is created based on Product-wise, Process-wise or Area-wise for proper direction and have control over them.

DEPARTMENTATION

DEFINITION:

“A Departmentation is a process of dividing the large monolithic functional organisation into small and flexible administrative units.”

PROCESS OF DEPARTMENTATION

1. Identification of work.
2. Analysis of details of each work.
3. Description of the function of the organisation.
4. For specialised function ensure separate or suitable person been selected.
5. Ensure the scope of authority and responsibility of the department heads.

NEED & IMPORTANCE OF DEPARTMENTATION

1. Increases the operating efficiency of the employees inside department there is group and similar of activities.
2. Executives been alert and efficient in their duties.
3. Dept. heads need to be given certain powers to take their decisions. As it increases their prestige an skills of the dept.

NEED & IMPORTANCE OF DEPARTMENTATION

4. Top level management evaluate the efficient of the dept. heads based on management ability and capacity.
5. Possibilities of expansion.
6. It facilitates budget preperation, effective control of expenditure, attaining specialisation, better coordination among managerial personnel.

FACTORS IN DEPARTMENTATION

1. Specification
2. Control
3. Coordination
4. Securing attention
5. Recognition of local conditions
6. Economy

DIVERSE ACTIVITIES OF DEPARTMENT

1. Maximum use
2. Interest
3. Competition
4. Policy matter
5. Seperation
6. Proper attention
7. Coordination

TYPES OF DEPARTMENT

1. Department by Functions
2. Department by Product or Service
3. Department by Regions (area, location, territory)
4. Department by Customers
5. Department by Process
6. Department by Time
7. Department by Numbers
8. Department by Marketing Channels.

FORMAL ORGANISATION

FORMAL ORGANISATION

FORMAL ORGANISATION

INFORMAL ORGANISATION

INFORMAL ORGANISATION

INFORMAL ORGANISATION

AUTHORITY

DELEGATION

DECENTRALISATION

Thank You