

10. Efficiency: The org structure should help the enterprise to function efficiently to accomplish the objectives at lowest cost.
11. Simplicity: The org structure should be simple & levels should be as min as possible.
12. Flexibility: Org should be flexible, adoptable changing circumstances, permit expansion/replacement without dislocation & disruption of basic design
13. Balance: There should be reasonable balance in the size of various dept b/w centralization & decentralization, principle of Span of Control & short chain of cmd & all the type of factors such as human, technical & financial.
14. Unity of direction: The org should have one objective & one plan for group of activities having same objectives. Unity of direction facilitates unification & Co-ordination of activities at various levels.
15. Personal ability: As the people constitute an org, there is a need for proper selection, placement & training of staff. Org must ensure optimum use of human resources & encourage mgt programs.

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Types of organisation:

- * Line organisation
- * Functional organization
- * Committee Organization
- * Line & staff organization
- * Matrix organization.

Committee of Organization:

The no. of person may come together to take a decision, decide course of action, advice line officers on some matters which forms the Committee of organisation.

Committee is a mtd of collective thinking, corporate judgement & common decisions. A committee may be assigned some management function or some advisory or exploratory service may be expected from it. A committee is not a separate type of org as such but is a mtd of attaching persons or group to line dept for advice and guidance in the business planning & execution. A group of competent & interested persons cool their thoughts for facilitating decision making process.

Need for Committee:

The main reasons for committees is to secure common judgement on administrative matters.

Committees are setup for the following reasons.

- provide a forum for exchanging ideas among the organizational members.
- The members exchange of ideas among members may generate some suggestion & recommendation which may be useful for org.
- There can be proper discussions on the present problems & efforts made to find solutions.

→ The Committees may also be needed in establishing & developing organizational policies.

Types of Committees :-

1. Formal & informal Committee
2. Advisory Committee
3. Line Committee

Religious Committee & University Committee ^{Academic} & educational
Explain those 3 types of committees.

other than that 3 types of committees many are there

join Consulate Committee.

Advantages of Committee Organization :-

- Committees can take valuable decisions.
- Hasty decisions can be avoided.
- Committee members use their expertise while taking decisions.
- Committee decisions are many times better.
- As a member of committee manager has to accept the decisions & implement it faster.
- Comm of decisions is faster with the involvement of members of different groups.
- Co-ordination among depart is made easy since managers of various dpt are involved in decision making.
- Committee members have the authority to implement decisions.
- Decisions are generally widely accepted since they are taken in a democratic process.

Disadvantages :-

- Many times decisions are delayed due to heterogeneous group in a committee.
- Increase administrative expenses.
- Secrecy of decisions can't be maintained.
- Sometimes decisions are taken compromise.
- Sometimes expressing ideas will lead to heated arguments.
- Dominating nature people influence more in decision making.

Matrix Organization:

There are several dept under matrix organization. Each dept is assigned with the specific task. The available resources can be effectively used by each dept with coordination of other dept.

∴ matrix organization can be defined as any org that employs multiple command structure but also related support mechanisms and an associated organizational culture & behaviour pattern.

Matrix Org is best suited where a large no. of small projects are to be managed.

Advantages of Matrix Organization.

- * It is highly flexible.
- * It ensures achievement of objectives with technical specialization.
- * It ensures effective utilization of available resources.
- * It adopts itself easily to external changes.

Disadvantages:-

- * Since Matrix org doesn't follow scalar chain of cmd, it leads to confusion.
- * Since too many supervisors are controlling an activity, work may be delayed.
- * May lead to conflict, due to lack of unity of cmd in the organization.

Imp Process of Organization:

Organising means designing the organisation of structure. In performing the organizing then a manager differentiates & integrates the activities of his org. By differentiation we need the departmentalization

or segmentation of activities on the basis of some homogeneity. Integration is the process of achieving unity of efforts among various departments. The various steps of process of org are:

- + Consideration of Objectives
- * Deciding organizational boundaries.
- * Grouping of activities into department.
- * Deciding which dept will be the key dept.
- + Determining levels at which various types of decisions are to be made.
- * Determining the span of management.
- * Setting up co-ordination mechanism.

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Departmentalization

Org involves the dividing & grouping of activities to be done in an enterprise. Division of work means identification of activities which are to be done for the achievement of orgtional goals.

Departmentation is the process of grouping of various activities into separate units of dept. A dpt is a distinct section of business establishment concerned with a particular group of business activities of like (same) nature. The actual no of depts in which the enterprise can be divided depends upon the size of establishment & its nature. Departmentation is a means of dividing a large monolithic functional org into smaller, flexible, administrative units.

Need and Significance of Department

1. Departmentation aim at
2. specialization of activities for efficient performance.
3. Simplifying the task of mgt within a workable span
4. Maintaining co-ordination & control of various activities.

Advantages of departmentalization

1. It increases the efficiency of enterprise since various activities are grouped into workable units.
2. It renders the task of fixation of accountability for results since the activities are well defined in the responsibilities are clearly laid.
3. It provides for fixation of standards for performance thus ensuring effective control.
4. It creates opp for apt heads to take initiatives & develop managerial facilities.

5.

Process involved in Departmentation:-

Step 1 : TO identify the task or duties

Step 2 : TO analyze the details of each task.

Step 3 : TO describe the functions or to group similar activities.

Step 4 : TO Entrust the group activities to departmental heads.

Step 5 : TO define authority & responsibility of departmental heads.

Classification of departmentation:

There are several basis of departmentation depending upon size & nature of org goals, strategies & environment.

1. * Departmentation based on products:-

This is more suitable for large org that p-manufacture vast variety of products. Under this separate group of depts are created & Each dpt is controlled by manager who will be responsible for all the activities of that sub group. Each sub group have its own facilities requires for manufacture, purchase, marketing & accounting.

Ex:- TATA makes trucks, cars, steel, machines.

HMT machines, watches, tractors, bearings

GODREJ Soaps, Cosmetics, refrigerators, furniture etc

25/11/21 * Departmentation based on Advantages

- * The top mgt is relieved of the operational task enabling them concentrate more on common goals.
- * The performance of products groups can be easily compared enabling the top mgt to invest more & more with the profitable product groups & exercise better control on non performance.
- * Managers of individual products put better efforts to improve this area compared to other

Disadvantages

- * Results in duplication of staff facilities
- * May result in underutilization of facilities & equipment.

- * More managers are required
- * Separate workforce is required in sales, marketing resulting in extra expenditure.

2. Departmentation based on function

The Option is based on each major function of org. Depending on the nature of the org various functions are marketing, engg, production, personnel, purchase, etc.

Functional Deption is most widely employed basis of orginising activities & is present in almost every organisation.

-Advantages

- * Simplified straining
- * It is a logical reflection of functions
- * provides needs of right control at the top.

Disadvantages

- * It limits the development of managers.
- * Leads to over specialization of people.
- * Deemphasizes overall company objectives.

3. Departmentation based on time

It is one of the oldest form of departmentation used at lower level of org where grouping of activities is based on time.

The use of shifts is common in some org due to economic or technological reasons.

Ex: Hospitals, Fire dpt, security, chemical plants work round clock.

Advantages

- * Facilitates use of processes that can't be stopped & interrupted.
- * Expensive capital equipment can be better utilised.
- * provides part time jobs for people or otherwise busy during the day time.
- * Higher & continuous production per day.

Disadvantages

- * Lack of good & efficient supervision during night shifts.
- * Lack of effective co-ordination & communication from people of 1 shift to next shift.
- * Loss of product or service may increase owing to higher payments or overtime payment during night shift.

4. Departmentation based on territory & Geography

The activities of enterprise are divided into territories like western region, northern, southern, eastern region. They may be divided into sub-region like southern region, Karnataka, T.N., Kerala region etc.

Territorial dept is especially attractive to large scale firms whose activities are physically or geographically spread over the large area.
Eg: Banks, Railways, big manufacturing Companies like petroleum etc.,

Advantages

- * Provides region wide comparison of performance
- * ensures better co-ordination within a region

- * Better involvement of people to achieve higher targets.

Disadvantages

- * Difficult to control from a top mgmt.
- * Requires more people with general manager abilities.

5. Departmentation based on Simple number:

This is achieved by pooling of people performing the same job & grouping them together under one supervisor.

Organizational Structure :

An organisational structure is an permanent arrangement of parts of a whole org into horizontal & vertical parts. The horizontal parts are made of different dpt. & the vertical part made up of no. of levels from top to bottom. Authority flows downward along these levels. Higher the level greater is the authority & vice versa.

Organisation structure enables it members

- * Undertake wide variety of activities acc to dpt of task & functions.
- * Co-ordinate activities through various co-ordinating mechanism.
- * Define boundaries of the org & its interfaces with the env & other organisations with which it must react.

The usual way of depicting the apparent structure of a formal org is called organisation chart.

It is a snapshot of org at a particular point in time which shows the flow of authority, responsibility & Comm among various dpt which are located at different levels of hierarchy. The connecting line on his chart shows who is accountable to whom & who is incharge of wt dpt. The process of charting the org is one good test of its soundness, as many organization which can't be readily charted is likely to be illogical.

Teams:-

Teams has become so popular in tdy's org that they deserve special attention. It is a small group of people, ^{with diff backgrounds} skills, knowledge who are drawn from diff functional areas of org to work together for a specific & defined task. One member of the team is usually designated as team leader for a duration of the teams assigned.

His responsibility is to decide who among the team member should take the team leadership for the particular phase of the task.

Characteristics of teams:-

- * A team has skill diversity
- * A team has clear & sharply defined objectives
- * The leadership in the team is task oriented.
- * It is always the team as a whole that is responsible for task.

Types of team

- * Project team
- * Permanent work team
- * Problem solving team

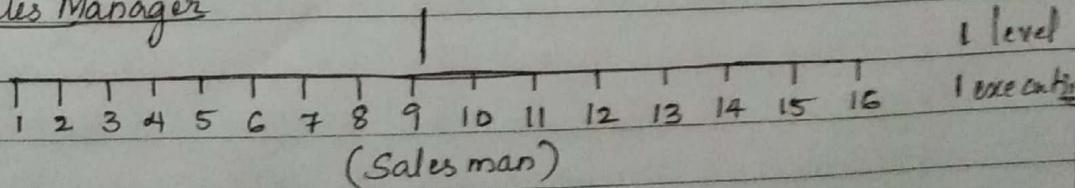
Span Of Management :

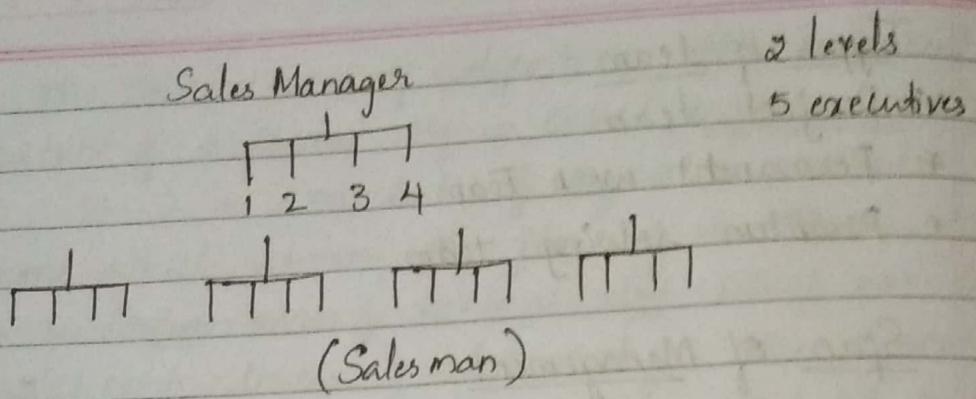
It also refers to span of control, span of supervision, span of authority, responsibility. It indicates no. of subordinates to report directly to the manager.

The Determination of app span of mgt is for ~~org~~ ²²⁰

1. * span of mgt affects the ~~diff~~ effective utilization of managers & effective performance of the subordinates.
- * TOO wide span leads that managers are over straining themselves & that their subordinates will receive little guidance & control.
- * TOO narrow span of mgt means managers are under utilized & subordinates are overcontrolled.
2. * There is a relationship b/w mgt & org structure
 - * A narrow span of mgt results in a tall org with many levels of supervision b/w top mgt & the lowest organizational levels. On the other hand a wide span for the same no. of employees means a fat org with few levels of mgt b/w the top & the bottom.

Sales Manager





Factors affecting span of management :-

1. Ability of Managers
2. Attention of Employees
3. Type of work
4. well defined authority & responsibility
5. Geographical location.
6. Sophisticated information & Control system.
7. Levels of management.
8. Economic Consideration.

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