

DEFINITION OF ORGANIZING

- **Definition:** Organization involves grouping activities, assigning them to departments, and providing authority, delegation, and coordination to accomplish goals and plans.

NATURE OR CHARACTERISTICS OF ORGANIZING

- **Division of Work:** Essential basis for organization; work divided into departments and further into sub-works.
- **Coordination:** Ensures interdependence among different works, departments, and posts.
- **Plurality of Persons:** Requires a group of individuals assembling for a common purpose.
- **Common Objectives:** Despite varied functions, all parts work toward a shared goal.
- **Well-defined Authority and Responsibility:** Establishes clear chains of command and individual roles.
- **Structure of Relationship:** Defines superior-subordinate roles in the organization.
- **Machine of Management:** Efficiency of functions depends on an effective organization.
- **Universal and Dynamic:** Needed in various contexts and undergoes changes as per needs.

IMPORTANCE OR ADVANTAGES OF ORGANIZING

- **Managerial Efficiency:** Balanced organization boosts managerial effectiveness.
- **Utilization of Resources:** Ensures optimal use of human and material resources.
- **Effective Communication:** Facilitates timely and accurate communication within the organization.
- **Facilitates Coordination:** Essential for achieving organizational objectives.
- **Increase in Specialization:** Divides work, leading to specialization and efficiency.
- **Expansion Readiness:** Allows organizations to scale and adapt to growth.

ORGANIZING PROCESS

- **Determination of Objectives:** Identifying the purpose and nature of the organization.
- **Enumeration of Objectives:** Classifying major functions within the organization.
- **Classification of Activities:** Grouping similar activities and functions into divisions and departments.
- **Assignment of Duties:** Specific job allocations to individuals based on their capabilities.
- **Delegation of Authority:** Granting appropriate authority to individuals to fulfill their responsibilities.

ORGANIZATION STRUCTURE

- **Definition:** Framework depicting relationships, authority, and responsibilities within the organization.
- **Significance:** Enhances teamwork, decision-making, communication, and growth capacity.
- **Principles:**
 - **Line and Staff Relationships:** Line oversees objectives, staff supports; vital for coordination.
 - **Departmentalization:** Clustering activities based on various criteria.
 - **Span of Control:** Determines supervision ratio for effective coordination.
 - **De-centralization and Centralization:** Level of decision-making concentration; modern structures lean towards de-centralization.

FORMAL AND INFORMAL ORGANIZATION

FORMAL ORGANIZATION

- **Definition:** Structured jobs and positions with defined functions by top management.
- **Characteristics:**
 - Prescribed relationships among members.
 - Built consciously for common objectives.
 - Focuses on jobs, not individuals.
 - Bound by rules and procedures.
 - Clearly defined roles, authority, and responsibility.
- **Advantages:**
 - Focuses on tasks and responsibility.
 - Ensures order and law in the organization.
 - Enables coordinated efforts for common goals.

INFORMAL ORGANIZATION

- **Definition:** Personal relationships, emotions, and social ties among organizational members.
- **Characteristics:**
 - Arises spontaneously, not by formal authority.
 - Reflects human relations and social connections.
 - Voluntary membership in groups.
 - Based on shared interests, attitudes, or cultures.
- **Benefits:**
 - Enhances formal organization effectiveness.
 - Achieves things unattainable by formal methods.
 - Acts as a platform for social satisfaction and communication.

DIFFERENCES BETWEEN FORMAL AND INFORMAL ORGANIZATION

- **Formal Organization:**
 - Aimed at defined goals.
 - Hierarchical, based on authority.
 - Task-oriented, impersonal.
 - Emphasizes efficiency and control.
- **Informal Organization:**
 - Goals are less defined.
 - Power relationships are generalized.
 - Reflects sociopsychological needs.
 - Characterized by freedom and spontaneity.

LINE AND STAFF AUTHORITY

- **Line Authority:** Top-down command within the organization's hierarchy.
- **Staff Authority:** Specialists providing advice and support to line managers.
- **Types of Staff:**
 - Personal Staff: Assistants to line managers.
 - Specialized Staff: Experts in specific areas.
 - General Staff: Advisors to top management.
- **Features:**
 - Line managers execute plans; staff offers advice.
 - Specialization is a key principle.
- **Advantages:**

- Offers expert knowledge and advice.
- Relieves line managers of specialized tasks.
- Aids in better decision-making.

DISADVANTAGES OF LINE AND STAFF AUTHORITY

- Confusion over roles without clear definitions.
 - Conflicts between line and staff managers.
 - Resentment from line managers towards staff specialists.
 - Ineffective implementation of staff recommendations.
 - Requires significant staff appointments, increasing costs.
 - Risk of misinterpretation between officers and workers.
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Understanding formal and informal organizational structures, as well as the dynamics of line and staff authority, provides insight into how relationships, roles, and communications function within an organization.

DEPARTMENTATION BY DIFFERENT STRATEGIES

Key Factors in Departmentation

- Facilitate control and coordination.
- Utilize benefits of specialization.
- Avoid excessive costs.
- Consider human aspects.

a) FUNCTIONAL DEPARTMENTATION

- **Definition:** Grouping activities by functions performed.
- **Advantages:**
 - Specialization advantage.
 - Easy functional control.
- **Disadvantages:**
 - Lack of responsibility for outcomes.
 - Conflict and coordination issues between departments.

b) PRODUCT DEPARTMENTATION

- **Definition:** Grouping activities by product line.
- **Advantages:**
 - Enhanced customer service.
 - Efficient control over product lines.
- **Disadvantages:**
 - Duplication of service functions.
 - Complexity in customer interactions.

c) CUSTOMER DEPARTMENTATION

- **Definition:** Grouping activities based on common customers.
- **Advantages:**
 - Focused service for various customer needs.
 - Enhanced managerial skills.

- **Disadvantages:**

- Difficulty coordinating sales with other functions.
- Risk of idle specialized sales staff.

d) GEOGRAPHIC DEPARTMENTATION

- **Definition:** Grouping activities based on territory.

- **Advantages:**

- Catering to local needs effectively.
- Enhanced managerial skills.

- **Disadvantages:**

- Communication and coordination challenges.
- Duplication of activities, higher costs.

e) PROCESS DEPARTMENTATION

- **Definition:** Grouping activities based on product/service flow.

- **Advantages:**

- Focuses on end results.
- Clearly defines product-profit responsibility.

- **Disadvantages:**

- Conflicts in organizational authority.
- Potential disunity of command.

f) MATRIX DEPARTMENTATION

- **Definition:** Combination of various departmentation strategies.

- **Advantages:**

- Efficiently manages complex tasks.
- Effective execution of complex tasks.

- **Disadvantages:**

- Requires high coordination levels.
- Potential conflicts between managers.
- Demands advanced management skills.

Departmentation strategies are diverse and cater to various organizational needs, offering unique advantages and challenges based on the structure and nature of the business.

SPAN OF CONTROL

Span of Control refers to the number of subordinates a manager can effectively oversee. Several factors impact this, including the capacity of the superior and subordinates, nature of work, degree of centralization, communication techniques, staff assistance, and supervision from others.

Types of Span of Control:

1. Narrow Span of Control:

- **Advantages:**

- Close supervision and control.
- Fast communication.

- **Disadvantages:**

- High levels of control leading to bureaucracy.

- Excessive levels of management.
- Increased costs.

2. Wide Span of Control:

- **Advantages:**
 - More delegation of authority.
 - Development of managers.
 - Clear policies.
- **Disadvantages:**
 - Overloaded supervisors.
 - Potential loss of control by superiors.
 - Requirement for highly trained personnel.

CENTRALIZATION AND DECENTRALIZATION

Centralization:

- **Characteristics:**
 - Top-down control.
 - Strong, authoritarian decision-making.
 - Change shaped by top-level vision.
 - Fast, coordinated execution.
- **Advantages:**
 - Uniformity in policies and decisions.
 - Minimized duplication of functions.
- **Disadvantages:**
 - Neglected functions at lower levels.
 - Less motivated personnel.

Decentralization:

- **Characteristics:**
 - Bottom-up decision-making.
 - Democratic, participative approach.
 - Change emerging from interactions.
 - Flexible and adaptive.
- **Advantages:**
 - Raised morale and interpersonal relationships.
 - Decision-making closer to action.
 - Development of managers.
- **Disadvantages:**
 - Increased costs.
 - Potential overlap and duplication.
 - Potential resistance from top-level management.

DELEGATION OF AUTHORITY

Delegation involves dividing authority downwards to subordinates to achieve effective results. It consists of authority, responsibility, and accountability. The process includes allocating duties, granting authority, assigning responsibility, and creating accountability. Accountability cannot be delegated and rests with the superior.

STAFFING

Staffing involves filling positions in the organization through manpower planning, recruitment, selection, and training.

a) Manpower Requirements:

- Manpower Planning focuses on putting the right people in the right positions at the right time to achieve organizational goals.

b) Recruitment:

- Process of finding and attracting candidates capable of filling job vacancies based on job descriptions and specifications.

c) Selection:

- Choosing suitable candidates who fit the job role and the organization's culture, which significantly impacts an organization's success.

d) Training and Development:

- Planned efforts to facilitate employee learning to improve job-related behaviors and performance. This includes both training and development efforts.

Each phase in the staffing process is crucial for ensuring that the right individuals are in the right roles, contributing to the organization's success.

Recruitment Process:

1. Identification of Vacancy:

- HR receives requisitions specifying the posts to be filled, number of persons, duties, and qualifications required.

2. Preparation of Job Description and Job Specification:

- Job description outlines tasks, responsibilities, reporting structure, qualifications needed.
- Job specification details the necessary knowledge, skills, education, experience, and abilities.

3. Selection of Sources:

- Internal sources (transfers, promotions) or external sources (outsourcing agencies) for candidate recruitment.

4. Advertising the Vacancy:

- Communicating the vacancy through various media like TV, radio, newspapers, internet, etc.

5. Managing the Response:

- Sieving through resumes to match job profiles, selecting suitable candidates for interviews, and preserving potential future candidates' applications.

Job Analysis:

• Job Description:

- Outlines job title, summary, activities, working conditions, social environment, etc.

• Job Specification:

- Details education, experience, skills, knowledge, abilities, work orientation factors, age, etc.

Selection Process:

1. Initial Screening:

- Eliminates unqualified applicants, saving time by scrutinizing received applications.

2. Preliminary Interview:

- Evaluates skills, academic and family background, competencies, and interests to filter suitable candidates.

3. Filling Application Form:

- Eligible candidates fill formal application forms detailing personal and professional information.

4. Personal Interview:

- Critical for employers to interact, judge communication skills, handling pressure, and gather more information.

5. References Check:

- Contacting references for feedback on behaviour, skills, conduct, etc., as provided by candidates.

6. Background Verification:

- Reviewing commercial, criminal, financial records to confirm application information or ensure no history of issues.

7. Final Interview:

- Assessment of applicant capabilities, behaviour, and special qualities through different types of tests.

8. Physical Examination:

- Conducted to ensure sound health before final confirmation.

9. Job Offer:

- Offer presented to candidates who successfully clear all stages, unfit applicants are dropped at any stage.

Employee Induction/Orientation:

• Purposes:

1. Reduce startup costs.
2. Alleviate anxiety for new employees.
3. Decrease employee turnover.
4. Save time for supervisors and co-workers.
5. Develop realistic job expectations, positive attitudes, and job satisfaction.

• Orientation Information:

- General information about work routine.
- Review of organization's history, objectives, operations, products/services.
- Detailed presentation of policies, work rules, and employee benefits.

• Two Kinds of Orientation:

1. **Overview Orientation:** Covers general organizational information and policies.
2. **Job-Specific Orientation:** Focuses on specific job responsibilities, duties, and workplace layout.

Career Development:

- **Purpose:** Enhancing job performance and fostering personal growth.

- **Objectives:** Improving managerial performance through knowledge, attitude, and skill enhancement.

- **Development Process:**

1. Setting development objectives.
2. Identifying and ascertaining development needs.
3. Conducting development programs.
4. Evaluating the effectiveness of programs for organizational objectives.

Training:

- **Purpose:**

1. Improve productivity and quality.
2. Enhance organizational climate and health/safety.
3. Facilitate personal growth.

- **Training Process:**

1. Identifying training needs.
2. Preparing the trainer and the learner.
3. Presentation of operations and knowledge.
4. Performance tryout and evaluation.
5. Follow-up for effectiveness assessment.

Training Methods:

- **On-the-Job Training:** Learning while working alongside experienced staff.

- **Off-the-Job Training:**

- **Instructor Presentation:** Oral presentations, lectures, workshops.
- **Group Discussion:** Trainer-led group discussions.
- **Demonstration:** Displaying correct task completion.
- **Assigned Reading:** Trainees receive reading assignments.
- **Exercises, Case Studies, Role-Playing:** Practical problem-solving scenarios.
- **Field Visits and Study Tours:** Observation and interaction opportunities.

Understanding career stages is crucial in aligning employee needs with organizational objectives. Here's a breakdown:

Career Stages:

1. **Trial Stage:** Exploration phase, usually ends by age 25, where individuals try various jobs/organizations. They seek self-exploration and diverse job experiences.
2. **Establishment/Advancement Stage:** Typically between ages 25 and 44. Employees have chosen a career path and focus on achievement, performance, and advancement. They aim for career growth, innovative job challenges, and some autonomy.
3. **Mid-Career Crisis Sub Stage:** Mid-thirties to mid-forties, a period for reassessing progress relative to initial career goals.
4. **Maintenance Stage:** Roughly between ages 45 and 64, where individuals aim to maintain their position, seeking skill updates to avoid stagnation.

5. Late-Career Stage: Career becomes less critical, focusing on retirement plans and seeking identity outside the work environment.

Performance Appraisal:

Objectives:

- Review employee performance.
- Bridge the gap between actual and desired performance.
- Aid in organizational control.
- Strengthen relationships and communication.
- Identify training needs.
- Provide feedback and assist in decision-making.

Process:

- a) **Establishing Performance Standards:** Set clear, measurable criteria for evaluating employee performance aligned with organizational goals.
- b) **Communicating Standards:** Ensure clear communication of standards to employees and evaluators, modifying if needed based on feedback.
- c) **Measuring Actual Performance:** Continuous monitoring and measurement of employee performance using unbiased techniques.
- d) **Comparing Actual with Desired Performance:** Compare employee performance against established standards to identify deviations.
- e) **Discussing Results:** Communicate appraisal results to employees, focusing on problem-solving and motivating improved performance.
- f) **Decision Making:** Use appraisal results for corrective actions, HR decisions like rewards, promotions, or transfers to improve employee performance and organizational effectiveness.