

CHAPTER 1 INTRODUCTION 1.1 ORGANIZATION-MEANING AND CONCEPTS

An organization is a group of people formed for the attainment of common goals and operates in a society. People form organization because they know that their needs can be fulfilled more efficiently in a group rather than individually. Thus Knootz and Weirich has a defined organization as group of people working together to create a surplus. In business organizations surplus is profit and in non-profit organization surplus can be satisfaction of needs. In depth, organization is defined as system consisting of social technical and economic elements and purpose to coordinate human and material resources to attain multiple objectives. FIG 1.1 : Definition of Organization Organization is a process of defining and assigning authorities and responsibilities to achieve goals of an organization using technology and appropriate structure. Technology and structure helps to bring efforts of people together to achieve common goals in a dynamic environment. Characteristics of organization: It is goal oriented and goals must be SMART. It is a conscious collection and co-ordination of people. It consists of proper structure to arrange the people. It consists of technology. It is an open system, existing in an environment, which consists of both Internal and External Environment (PEST).