ORGANISING

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ORGANISING

- What is organising?
- “organising in a general sense means systematic arrangment of activities”
- Organising follows “planning”

DEFINITION

ALLEN defines “Organizing “ is the process of identifying and grouping the work to be performed defining and delegating resposibility and authority and establishing relationship for the purpose of enabling people to work most effectively together in accomplishing objectives”.

THEO HAIMANN

"Organising is the process of defining and grouping the activities of the entire process and establishing the authority and relationship among them"

ORGANISING IN MANAGEMENT

Organising in management refers to the relationship between people,work and resources used to achieve the common objectives

ORGANIZATION STRUCTURE

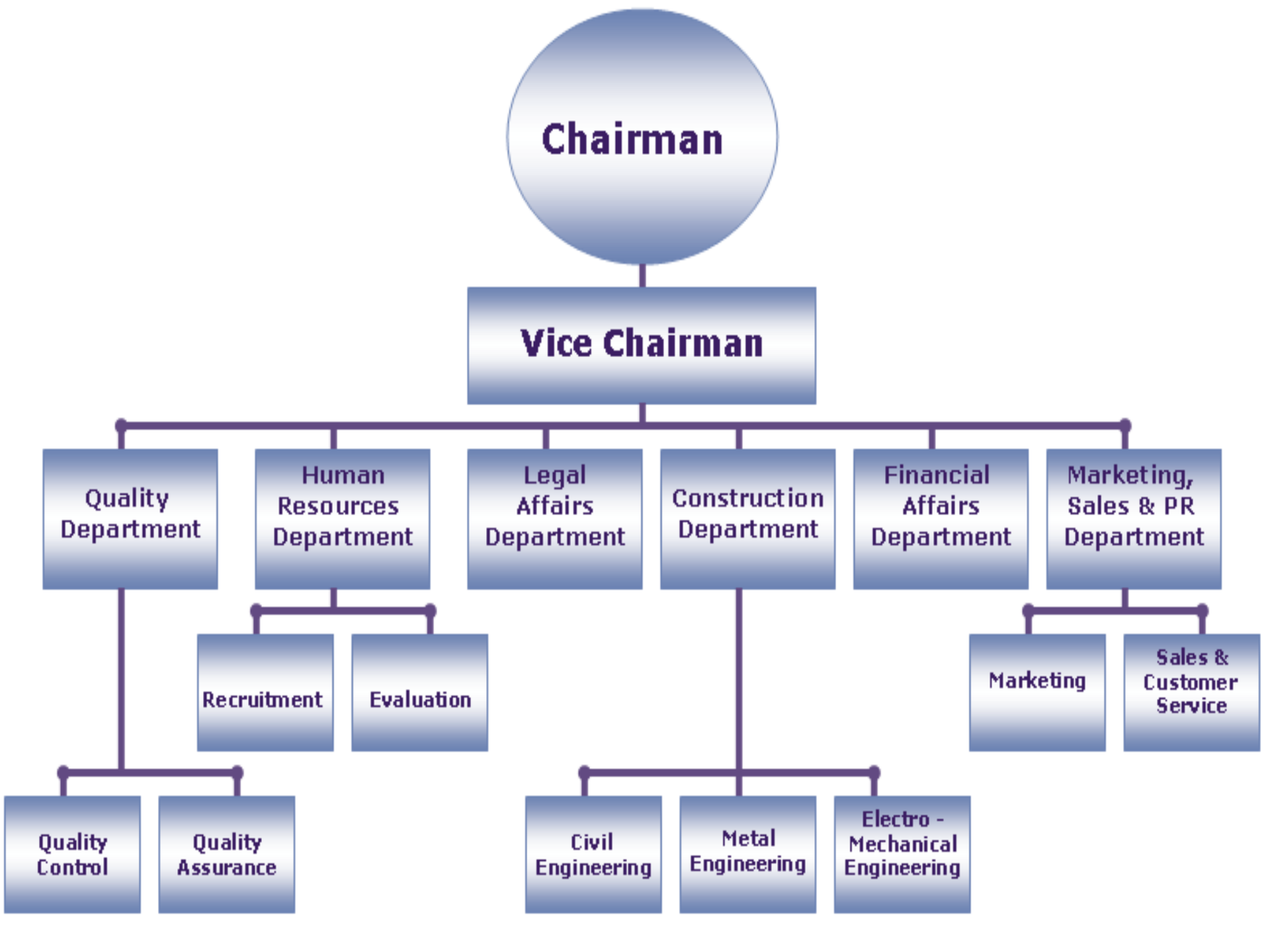
A DESIGN OF ORGANIZATION MOVEMENT OR BLUEPRINT,

DEFINITION

ORGANIZATION STRUCTURE EXPLAINS THE POSITION AND OFFICIAL RELATIONSHIP BETWEEN VARIOUS INDIVIDUALS IN THE ORGANIZATION.

ORGANISATION CHART

It is a diagrammatic representation of organization structure show names designation functions of personnel in a organization.


Chairman
Vice Chairman
Quality Department
Human Resources Department
Legal Affairs Department
Construction Department
Financial Affairs Department
Marketing, Sales & PR Department
Recruitment
Evaluation
Marketing
Sales & Customer Service
Quality Control
Quality Assurance
Civil Engineering
Metal Engineering
Electro - Mechanical Engineering

NATURE OF ORGANISING

- Learning objectives
- Identifying the task
- Grouping the activities
- Delegation of authority
- Coordination

NATURE

- Perform an analysis about the work
- Identify the work
- Organisation structure
- The grouping of activities neccesary for attaining objectives(division of labour)
- Assignment of work(communication)
- Delegation of authority(authority structure)

PURPOSE OF ORGANISING

- Aids to management
- It facilitates growth,creativity
- It ensures optimum use resources
- Establishes relationship among individual groups
- Clusters job into units
- Coordinates.

FORMAL AND INFORMAL GROUPS

FORMAL GROUP- A formal group is a structured group,which has a plan and positions each job's objective and functions

CHARACTERISTICS OF FORMAL GROUP

- Formal means something systematic.
- It is in an official structure
- It provides official relationship between individual.
- It is objective oriented
- It abides with rules and regulations

ADVANTAGES:

- The line of communication is very clear
- It is accuracy of the information.
- systematic
- It is objective oriented.
- It has a heirarchial pattern

INFORMAL GROUPS

- It is the outcome of personal ,social and friendly relationship and it develops spontaneously.
- It arises naturally on the basis of friendship or some common interest which may or may n
with work

DEFINITION

According to *chester bernard*
"informal organisation is joint personal activity with our conscious common purpose though contributing to common purpose"

CHARACTERISTICS OF INFORMAL GROUP

- Informal group is created by the member of the organisation for their social and psychological satisfaction
- Informal groups are unstable in nature ,it is not permanent
- Informal groups are greater in numbers than the formal groups
- Free interaction

▪ It is concisiously deliberate in nature	It arises spontaneously
▪ It is based on delegation of authority	It arises on account of social interaction or it arises from account of personal factors like friendship
▪ Rules responsibilities are written and clearly defined	Just unwritten rules and regulations
▪ It shown in organization chart	It has no place in organization chart
▪ It provides a definite structure	It is structure less because it is social
▪ Formal authority is attaches to a position	Informal authority attaches to a person out of social interactions
▪ It flows downwards (top to lower level)	It flows upwards
▪ It is permanent and stable	It is temporary and unstable
▪ It is deliberately impersonal	It is personal

TYPES OF ORGANIZATION STRUCTURE

- LINE STRUCTURE
- LINE AND STAFF STRUCTURE
- FUNCTIONAL STRUCTURE
- COMMITTEE STRUCTURE
- PROJECT STRUCTURE
- MATRIX STRUCTURE

LINE STRUCTURE

- It flows from top to lower level .
- It is the simplest and oldest method followed in many organization.
- It is also called as military organization.

GENRAL MANAGER

PRODUCTION MANAGER

ASSISTANT MANAGER

SUPERVISORS

WORKERS

MERITS OF LINE STRUCTURE

- Simple and easy to establish.
- Authority and responsibility is clearly defined
- Prompts decision.
- Speedy action taken.
- Unity of command since each will have full control over subordinates.
- Ensures Better discipline.
- It is very economical since it is less elaborate.
- It provides better scope for supervision.

DEMERITS OF LINE STRUCTURE

- Lacks specialization
- Overburden with lots of administrative work
- It may result in autocratic control
- Manager enjoys monopoly in the matter of decision making (he himself take decision)
- Always downward communications is possible
- Lacks upward communication
- It is suitable for small concerns employing few persons

LINE AND STAFF ORGANIZATION

- The staff is attached to line
- The staff are experts specialized in specific areas
- They give ideas to personnel
- The staff supports the line personnel

MERITS OF LINE AND STAFF

- Expert advice
- Relief to top executives.
- Quality decisions.
- Flexible.
- Specialization is not violated.
- Unity of command is not violated.

DEMERITS OF LINE AND STAFF

- Often arises conflicts between line and staff.
- Leads to confusion since responsibility is not well defined.
- Ineffective staff .
- Suitability (in large organization).

FUNCTIONAL ORGANIZATION

- There will be a separate department for different actions or activities.

MERITS OF FUNCTIONAL ORGANIZATION

- Specialization is possible
- Work load is less
- Better control over subordinates
- Scope for expansion
- Higher efficiency

DEMERITS

- Unity of command is violated.
- Interdepartmental conflicts.
- Delay in decision making.

COMMITTEE ORGANIZATION

A group of persons entrusted in a task

Types:

- Standard or permanent committee.
- Temporary or ad hoc
- Executive committee.
- Advisory committee.
- Formal committee.
- Informal committee.

MERITS

- Scope of group judgment .
- Proper coordination and control among individuals and departments.
- Motivation through participation is possible.
- Various interest groups.
- Check against misuse of powers.

DEMERITS

- Expensive affair to constitute a committee
- Time consuming or slow decision
- Compromise decision
- Suppression of ideas

PROJECT ORGANIZATION

- It varies from one organization to organization.
- Any organization execute a large project for a long period of time adopt this project organization.
- Usually some company have large number of small projects.
- The term leader organize the expert or specialist.

MERITS

- Maximum use of specialized knowledge and skills.
- Unity of command exist in this organization
- Flexibility of operation.
- Fixation of individual responsibility for results.
- Focuses attention on the specific projects.
- Provides better coordination.

DEMERITS

- Difficulty in decision making.
- Pressure and uncertainty due to some several specialist.
- Difficulty in coordination.
- Evaluation of performance of various specialist is difficult

MATRIX ORGANIZATION STRUCTURE

- It is suitable where there is large number of small projects.
- It is also called as multiple command system.
- It is also called as linking pins.

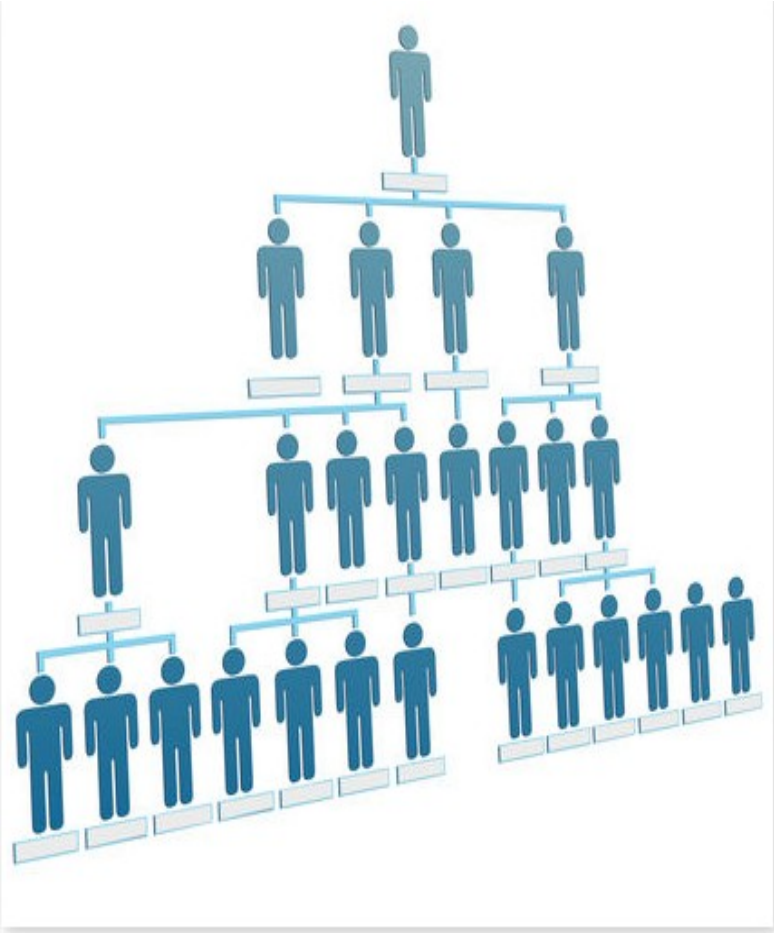
MERITS

- BEST UTILISATION OF ORGANIZATIONAL RESOURCES.
- BENEFIT TO BOTH FUNCTIONAL AND TECHNICAL SPECIALIST .
- IT PROMOTES COMMUNICATION
- PERMITS HIGHER DEGREE OF FLEXIBLITY AND ADAPTABILITY.

DEMERITS

- Its against principle of unity of command.
- Quick decision may not be possible
- It gives scope for conflicts.

SPAN OF MANAGEMENT

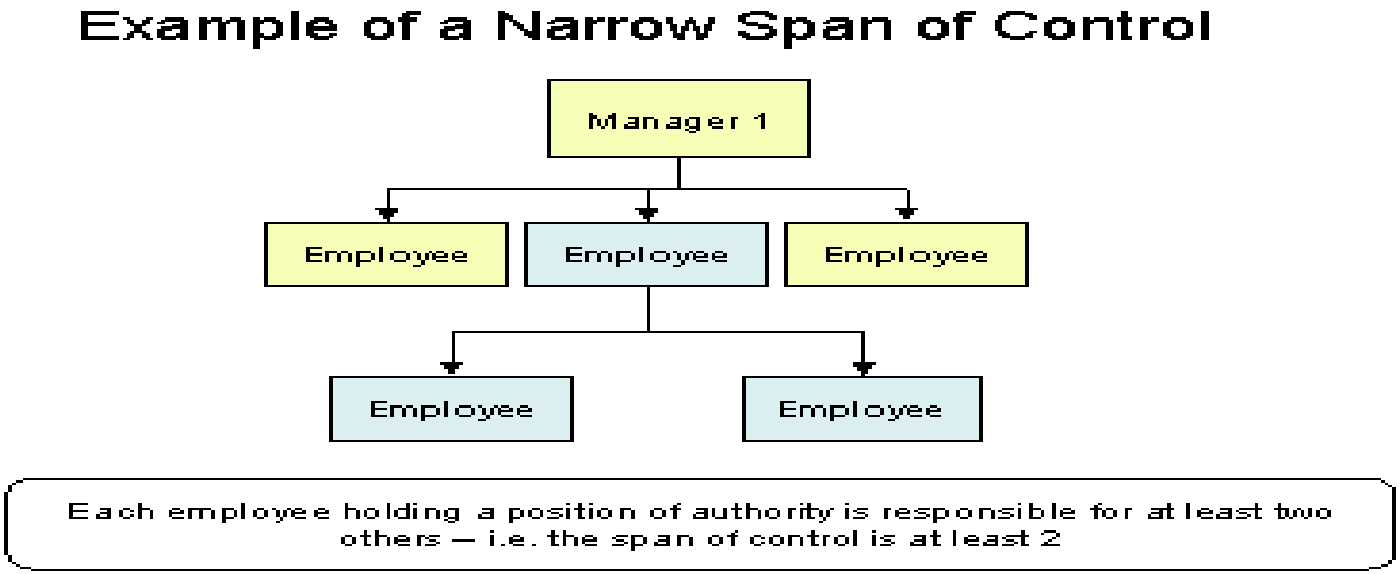


- It is also called as span of control or span of supervision.
- It refers to the number of subordinates that report directly to a single manager or supervisor.

TWO TYPES OF SPAN

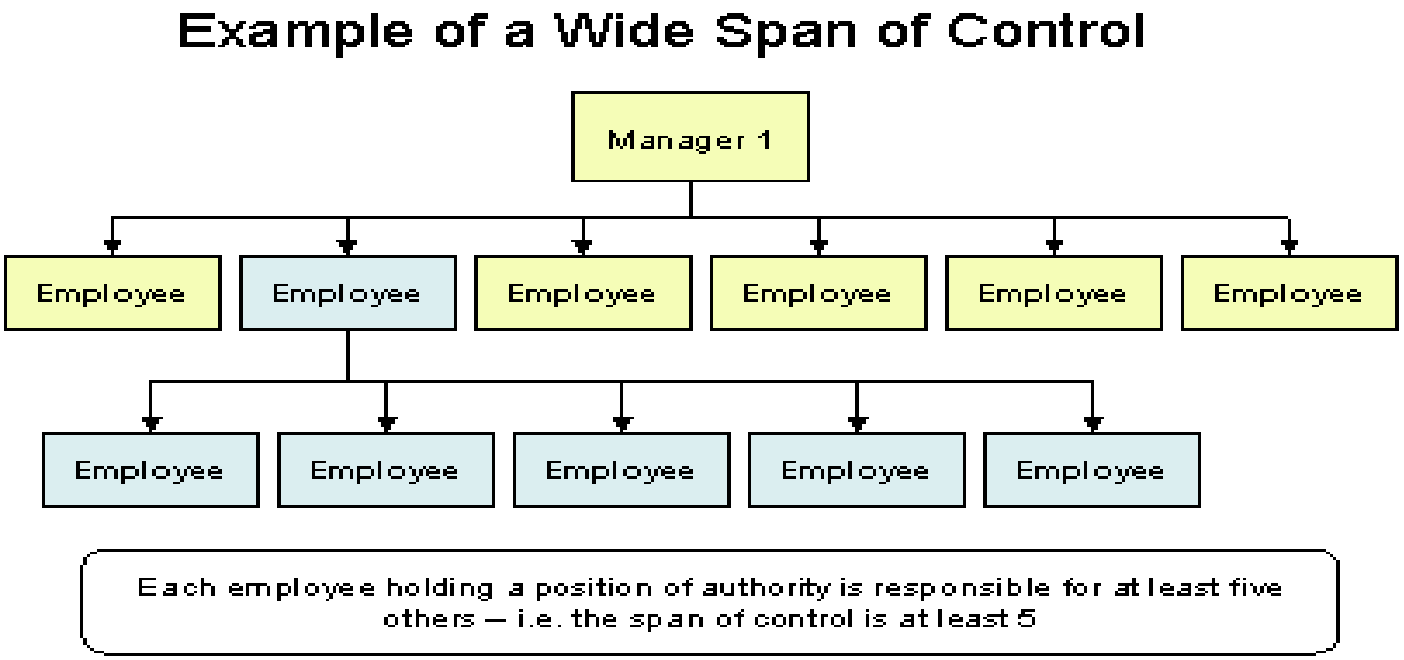
NARROW SPAN OF MANAGEMENT

- Tall organization.
- Manager oversees “few” subordinates.
- better communication.
- example : handicraft , ivory work , etc.



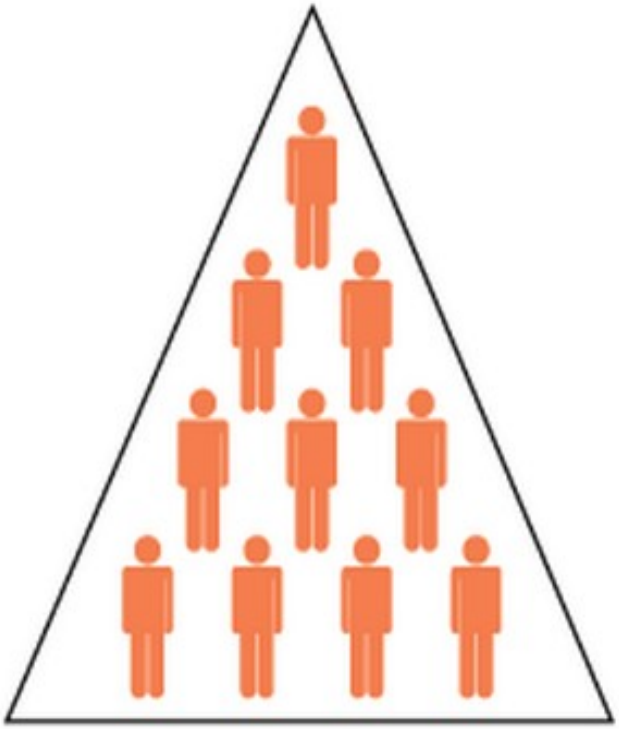
WIDE SPAN OF MANAGEMENT

- Flat organization .
- Manager oversees “large” number of subordinates.
- Less overhead cost.
- example: large firms .

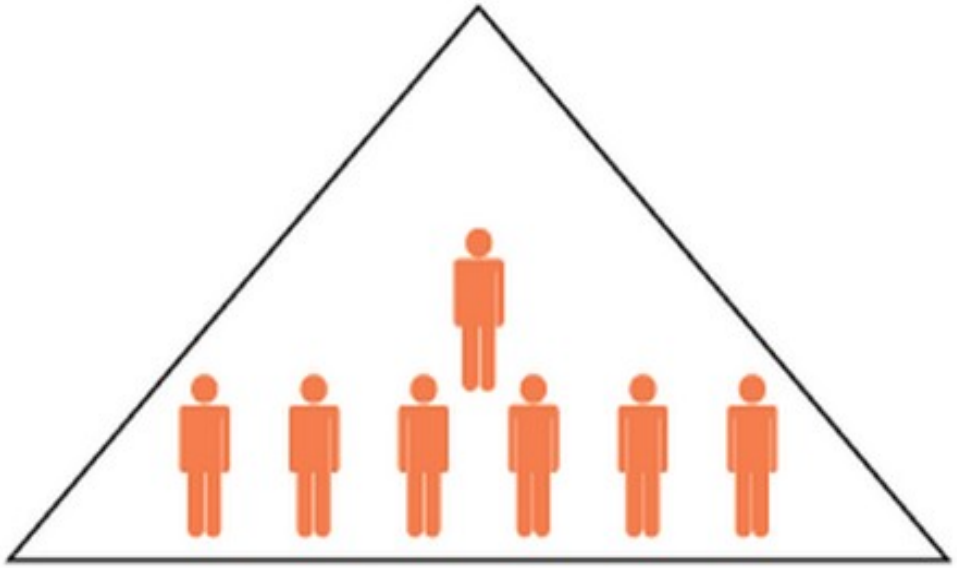


narrow span of control

wide span of control



Organisation A



Organisation B

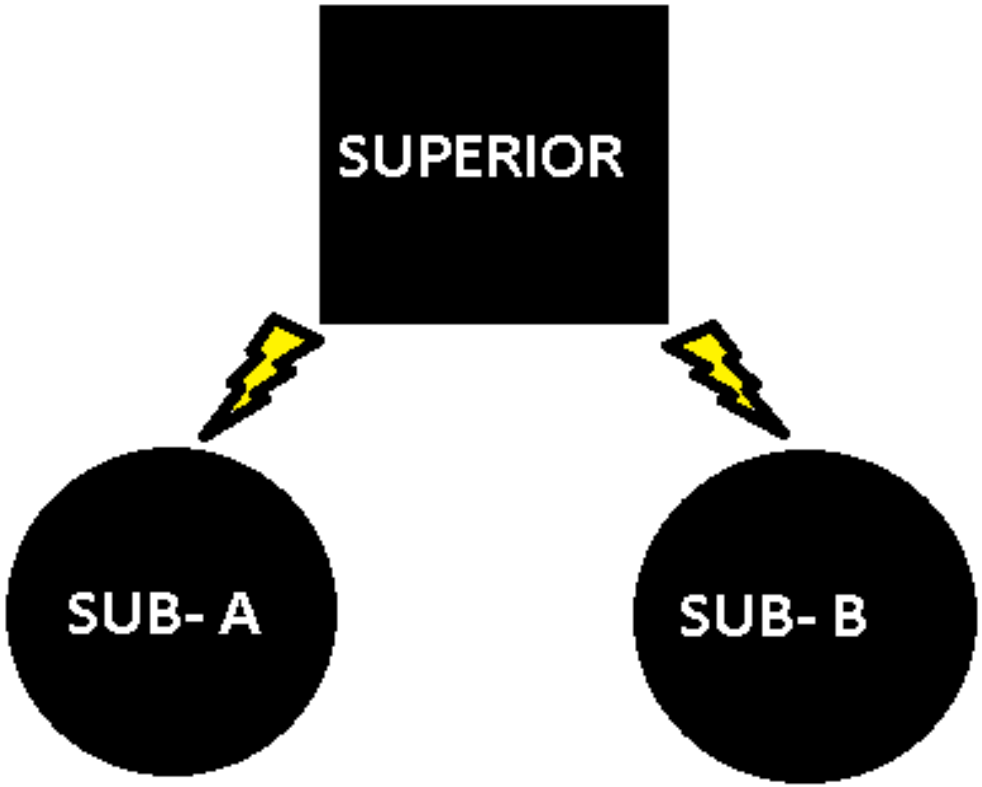
THEORY OF GRAICUNA'S

- He was a French management consultant.
- He developed a formula for analyzing superior subordinate relationship.

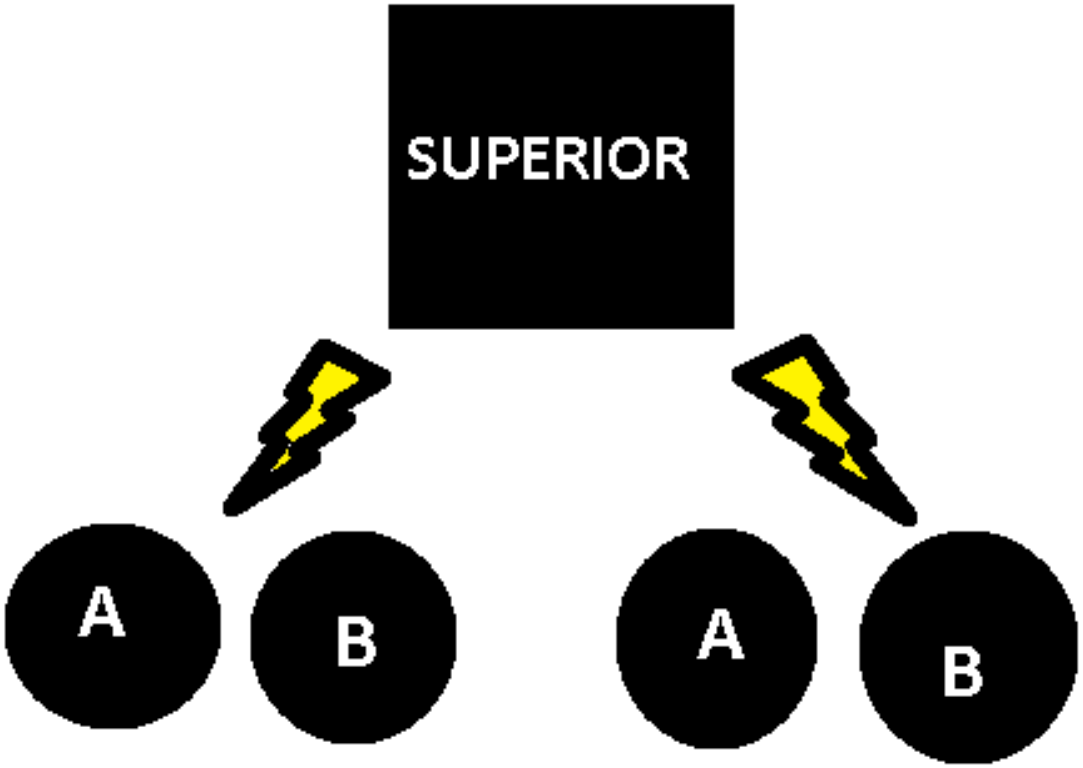
THREE TYPES OF RELATIONSHIP

- Direct relationship (superior has direct link with subordinates).
- Direct group relationship(arises between manager and group of subordinates).
- Gross relationship (relationship among subordinates).

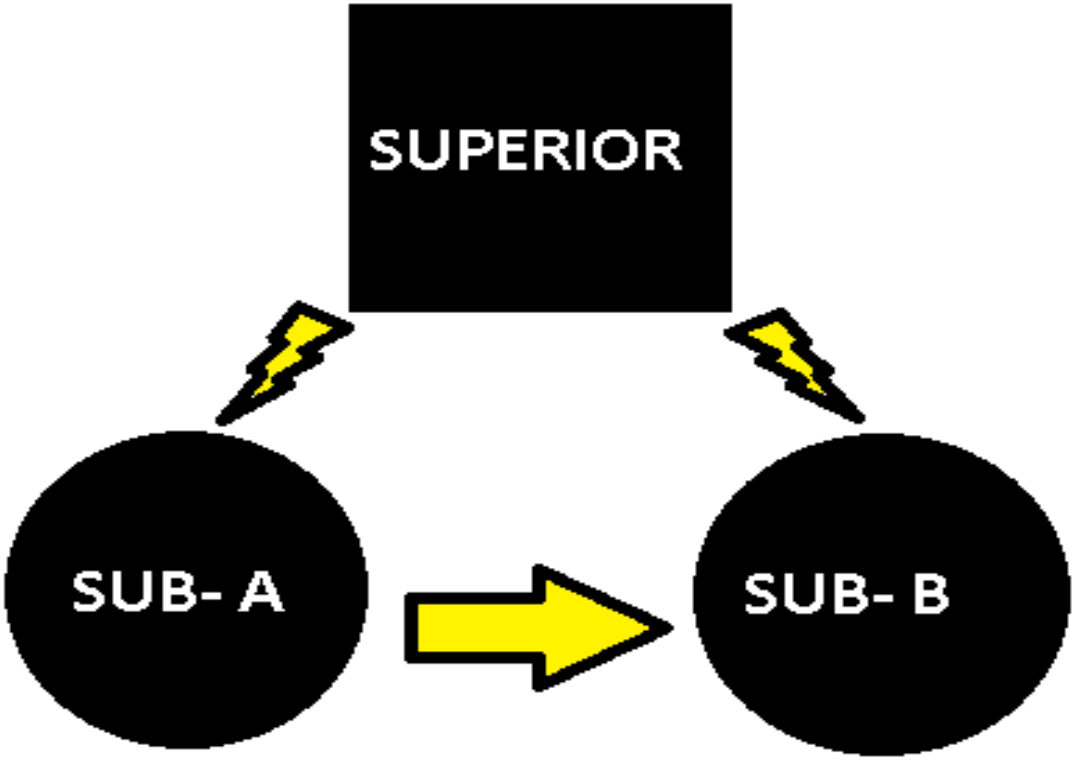
DIRECT SINGLE RELATIONSHIP



DIRECT GROUP RELATIONSHIP



GROSS RELATIONSHIP



MATHEMATICAL FORMULAS

$$r = n\left(\frac{2^n}{2} + (n-1)\right)$$

Here, r = number of relationships
n = number of subordinates

$$r = n\left(\frac{2^n}{2} + (n-1)\right)$$

$$r = 5\left(\frac{2^5}{2} + (5-1)\right)$$

$$= 5\left(\frac{32}{2} + (4)\right)$$

$$= 5\,(16 + 4)$$

$$= 5\,(20)$$

$$= 100$$

No. of Subordinates	No. of Relationships
1	1
2	6
3	18
4	44
5	100
6	222

No. of direct relationships = n

No. of cross relationships=n [n-1]

No. of group relationship = n [2^(n-1)-1]

Total no. of relationships =n [2^(n/2+ (n-1)] or n[2^(n-1) = n-1]

Where the n represents the number of subordinates..

FACTORS DETERMING SPAN OF MANAGEMENT

- Nature of work
- Type of technology
- Ability of the manager
- Capacity of subordinates
- Degree of decentralization
- Quality of planning
- Staff assistant
- Communication techniques
- Time available for supervision
- Geographical dispersion of subordinates

DEPARTMENTATION

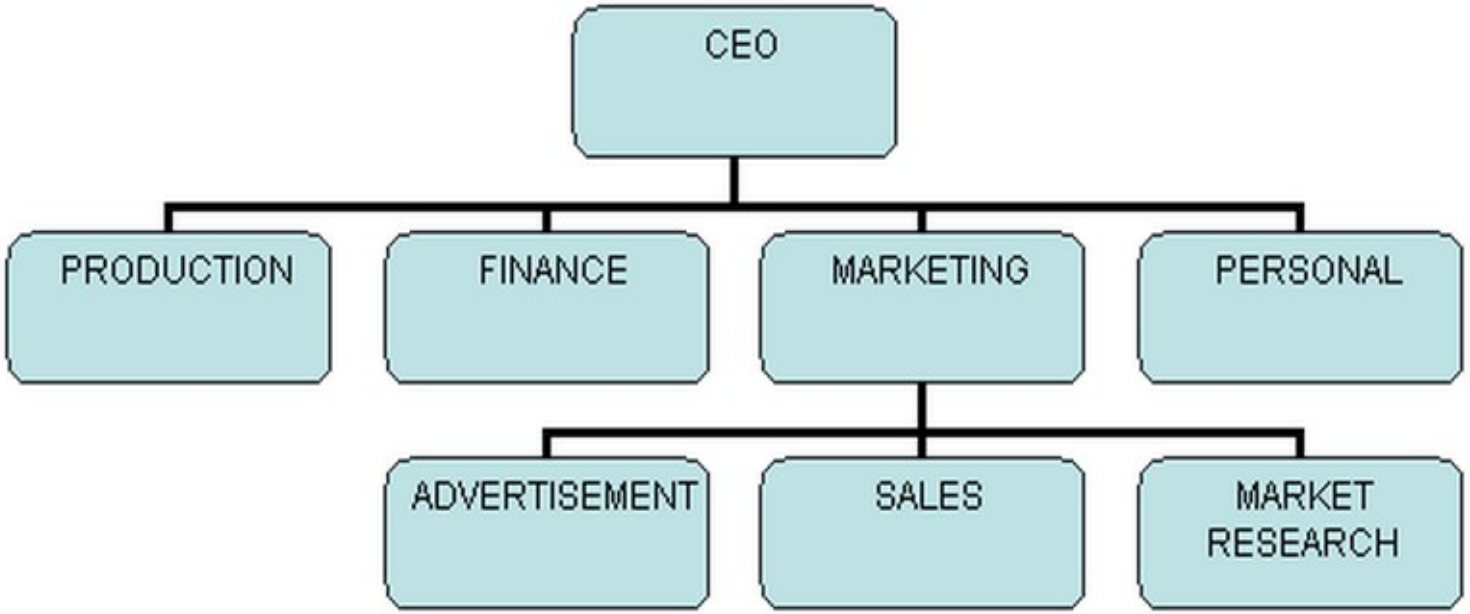
It is a process of grouping individual jobs into departmentation.

TYPES:

- Departmentation by function.
- Departmentation by products.
- Departmentation by territory.
- Departmentation by customers.
- Departmentation by process.
- Departmentation by time and

Departmentation by FUNCTIONS

Deparmentation done by the functions.



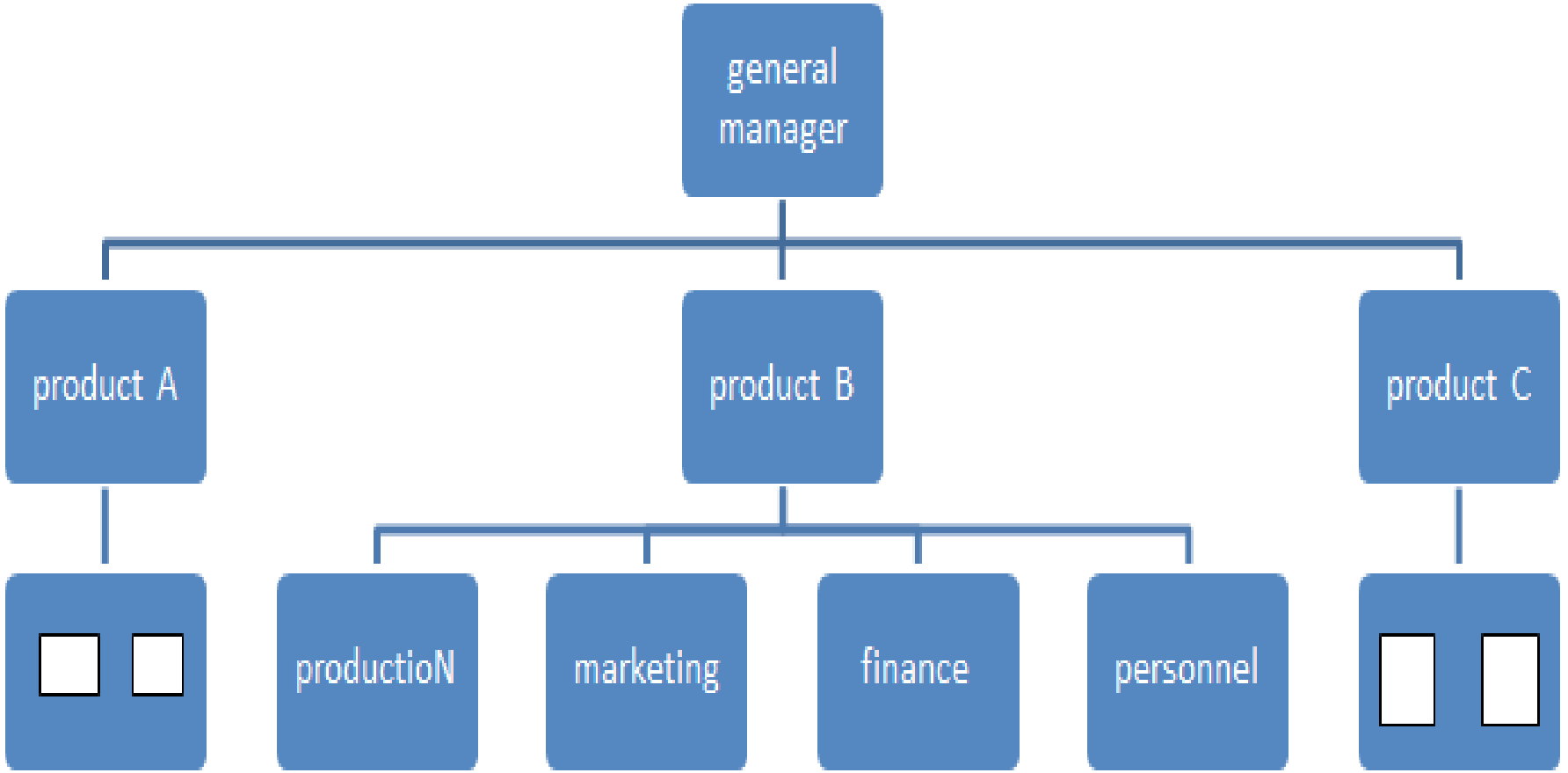
MERITS & DEMERITS

- Provides scope of specialization.
- Eliminates cost of duplication of work.
- Effective control over performance.
- Facilitates delegation of authority.

- Interdepartmental conflicts.
- Difficulty in coordination of activities.
- Increases responsibility of departmental heads.

DEPARTMENTATION BY PRODUCTS

It is suitable for different lines of products.



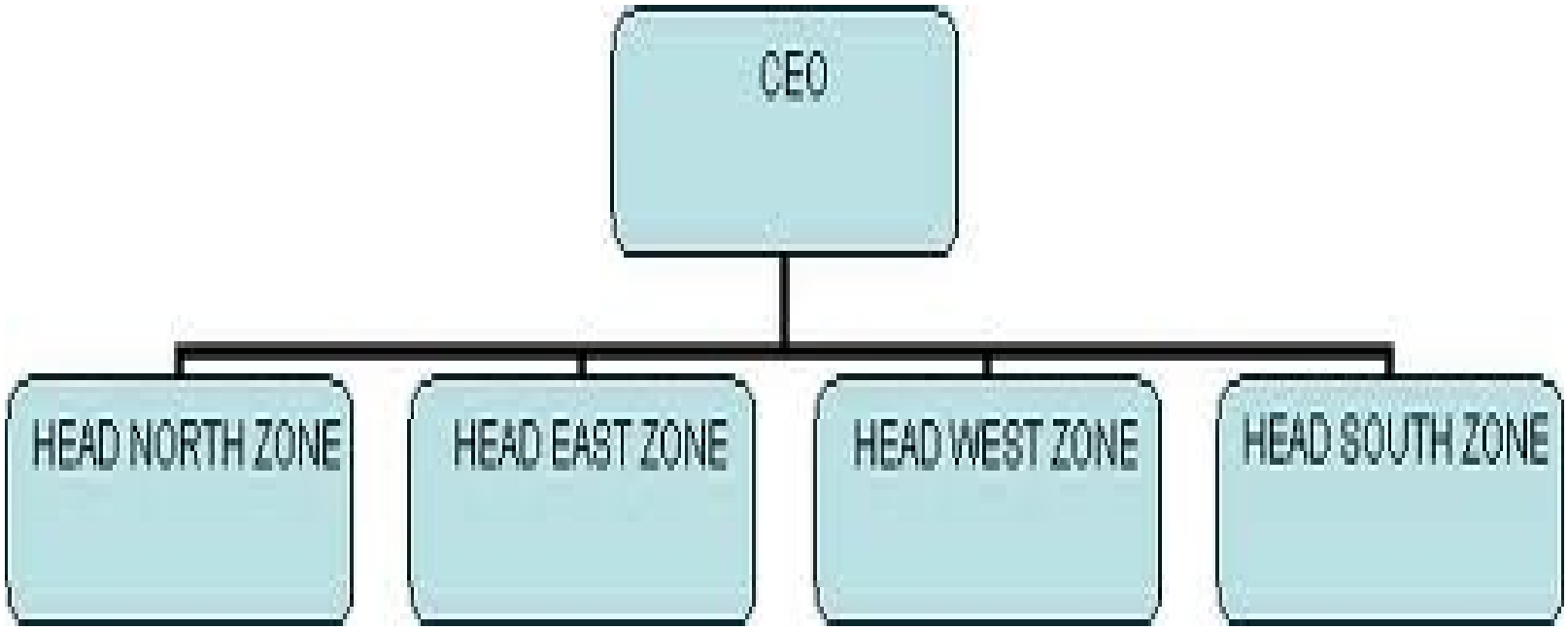
MERITS & DEMERITS

- Reduces problem of coordination.
- It leads to specialization.
- Performance evaluation can be done easily.
- It is flexible and adaptable to change .

- Chance of duplication is more.
- There may be underutilization of plant capacity when the demand of product is not adequate.

TERRITORIAL Departmentation

Used for large scale enterprises whose activities are geographically spread over.



MERITS & DEMERITS

- It helps in achieving benefits of local operation.
- Better coordination of activities.
- Provides effective span of control.
- Opportunity to train managers.
- Facilitates expansion of business to various regions

- Due to geographical distance problem of communication.
- Coordination and control becomes less effective.

Departmentation By Customers

Each department will serve the particular type or class of customers.

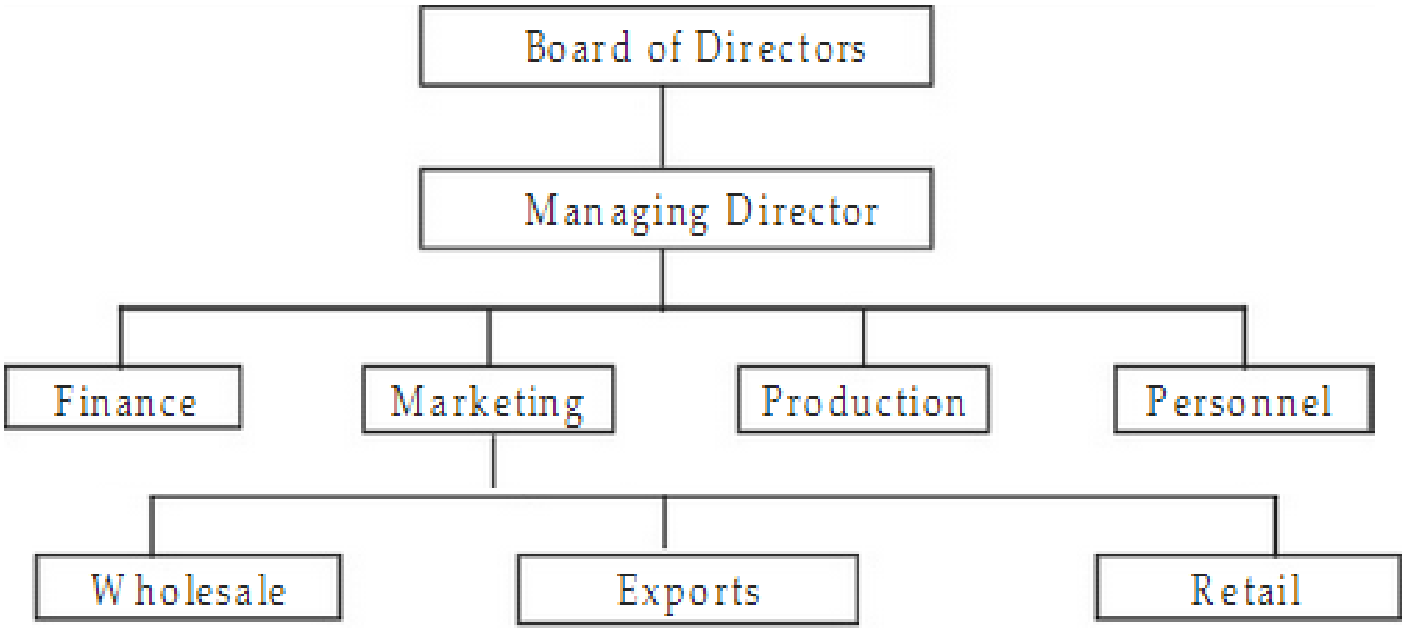


Fig. 1.4.3.4. Departmentation by Customers.

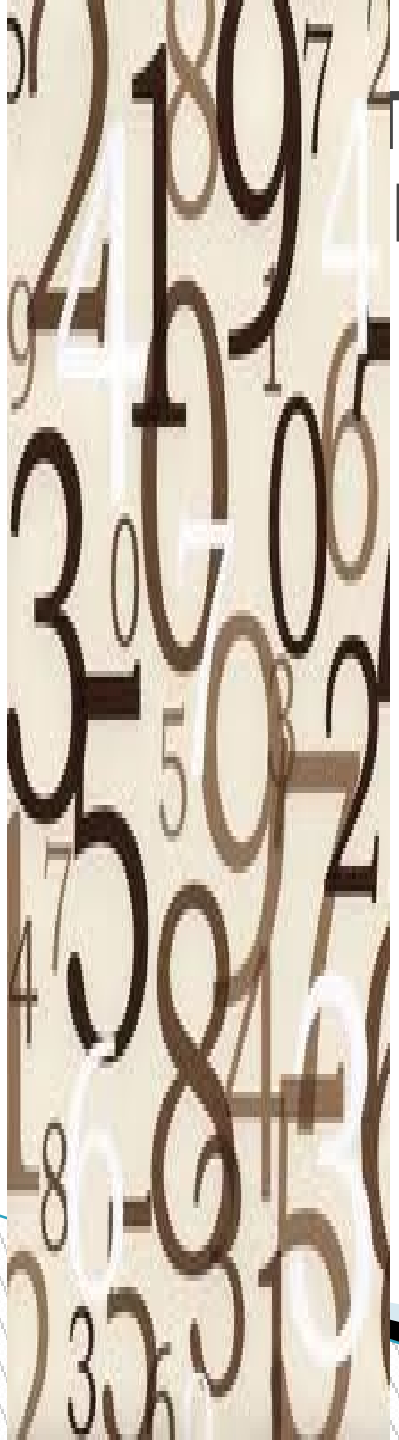
MERITS & DEMERITS

- Offer scope of specialization.
- Enterprise gain ultimate knowledge about needs of various categories of customers.

- Lead to duplication of activities.

DEPARTMENTATION BY PROCESS OR EQUIPMENT

- The activities are grouped according to process or equipment.
- It is generally used in manufacturing industries.
- Lead to specialization.
- No confusion.
- Proper utilization of manpower and machine engaged in proper way.



TIME AND NUMBER DEPARTMENTATION

TIME:

The activities or group on basis of time

EXAMPLE: Call centers or any factory.

NUMBER:

The activities or group on basis of performance by certain number of persons.

THANK
YOU!