

organization toward its purposes or goals by assigning activities that organization members perform if the activities are designed effectively, the production of each individual worker will contribute to the attainment of organizational goals. Management strives to encourage individual activity that will lead to reaching organizational goals and to discourage individual activity that will hinder the accomplishment of those goals.

"There is no idea more important to managing than goals management has no meaning apart from its goals"

Mangers must, therefore, keep organization goals in mind at all times.

★→ Defining Management:

Students of management should be aware that the term management can be, and often is, used in several

different ways. For instance, it can refer simply to the process that managers follow in order to accomplish organizational goals. It can also refer to a body of knowledge, in this context; management is a cumulative body of information that furnishes insights on how to manage. The term management can also refer to the individuals who guide and direct organizations or to a career devoted to the task of guiding and directing organizations. An understanding of the various uses and related definitions of the term will help you avoid miscommunication during management related discussions.

★ → As used most commonly in this text, management is the process of reaching organizational goals by working with and through people and other organizational resources. A comparison of this definition with the definitions offered by several contemporary management thinkers shows that there is

broad agreement that management has following three main characteristics:

1. It is a process or series of continuing and related activities.
2. It involves and concentrates on reaching organizational goals.
3. It reaches these goals by working with and through people and other organizational resources. (See Table 1.2).

* **The management process: management functions:**

The four basic management function – activities that make up the management process – are described in the following sections.

→ **Planning:**

Planning involves choosing tasks that must be performed to attain organizational goals, outlining how

the tasks must be performed and indicating when they should be performed planning activity focuses on attaining goals.

Through plans, managers outline exactly what organizations must do to be successful. Planning is concerned with organizational success in the near future (short term) as in the more distant future (long term).

→ Organizing:

Organizing can be thought of as assigning the tasks developed by the planning function to various individuals or groups within the organization.

Organizing, then creates a mechanism to put plans into action. People within the Organizing are given work assignments that contribute to goal attainment.

Tasks are organized so that the output of individuals contributes to the success of departments,

which, in turn, contributes to the success of division,
which ultimately contributes to the success of the
organization.

→ **Influencing:**

Influencing is another of the basic functions within the management process this function —also commonly referred to as motivating leading, detracting, or actuating—is concerned primarily with people within organizations. Influencing can be defined as the process of guiding the activities of organization members in appropriate direction. An appropriate direction is any direction that helps the organization move toward goal attainment. The ultimate purpose of influencing is to increase productivity. Human – oriented work situations usually generate higher levels of production over the long term than do task – oriented work situations because people find the latter type of situations distasteful.

→ **Controlling:**

→ Controlling is the management function for which managers:

1. Gather information that measures recent performances within the organization.
2. Compare present performances to preestablished performance standards.
3. From this ~~composer~~, determine if the organization should be modified to meet preestablished standards.

Controlling is an ongoing process. Managers continually gather information, make their comparisons, and then try to find new ways of improving production through organizational modification.

In early management literature, the term motivating was more commonly used to signify this

people - oriented management function. The term influencing is used consistently throughout this text because it is broader and permits more flexibility in discussing people - oriented issues. Later in the text, motivating is discussed as a major part of influencing.

Management process and Goal Attainment:

Although we have discussed the four functions of management individually, planning, organizing, influencing, and controlling are integrally related and therefore cannot be separated in practice. Figure 1.2 illustrates this interrelationship and also indicates that managers use these activities solely for the purpose of reaching organizational goals. Basically, these functions are interrelated because the performance of one depends on the performance of the others. For example, organizing is based on well thought - out plans developed during the planning process, and influencing systems must be tailored to reflect both

with a lean staff, and simultaneous loose - light properties.

The information in this section has given you but a brief introduction to the four management functions. Later sections are devoted to developing these functions in much more detail.

Management and Organization Resources:

Management must always be aware of the status and use of organizational resources.

These resources composed of all assets available for activator during the production process, are of four basic types:

1. Human
2. Monetary
3. Raw materials
4. Capital resources

manufacturing process. Modern machines, or equipment, can be a major factor in maintaining desired production levels.

Worn-out or antiquated machinery can make it impossible for an organization to keep pace with competitors.

→ **The Aim of all Managers:**

Nonbusiness executives sometimes say that the aim of business managers is simple- to make a profit. But profit is really only a measure of a surplus of sales dollars (or in any other currency) over expense dollars. In a very real sense ,in all kinds of organizations , whether business or nonbusiness, the logical and publicly desirable aim of all managers should be a surplus- managers must establish an environment in which people can accomplish group goals with the least amount of time, money, materials, and personal

dissatisfaction, or where they can achieve as much as possible of a desired goal with available resources in a nonbusiness enterprise such as a police department, as well as in units of a business (such as an accounting department) that are not responsible for total business profits, managers still have goals and should strive to accomplish them with the minimum of resources or to accomplish as much as possible with available resources.

Productivity, Effectiveness, and Efficiency:

Another way to view the aim of all managers is to say that they must be productive. After World War II the United States was the world leader in productivity. But in the late 1960s the deceleration of productivity growth began. Today the urgent need for productivity improvement is recognized by government, private industry, and universities. Often we look to Japan to find answers to our productivity

problem, but what we often overlook is the importance of performing effectively the basic managerial and nonmanagerial activities.

★ Definition of productivity) Successful companies create a surplus through productive operation. Although there is not complete agreement on the true meaning of productivity, we will define it as the output-input ratio within a time period with due consideration for quality, it can be expressed as follows:

$$\text{Productivity} = \frac{\text{Outputs}}{\text{Inputs}} \quad \text{within a time period,}$$

(M)

quality considered.

Thus, productivity can be improved by increasing outputs with the same inputs, by decreasing inputs but maintaining the same outputs or by changing the ratio favorably by increasing outputs and decreasing inputs, in the past, productivity improvement programs were mostly aimed at the worker level Yet, as Peter F.

Drucker, one of the most prolific writers in management, productivity is surely to be found in knowledge, work itself, and especially in management.

~~Definition of effectiveness and efficiency.~~
Productivity implies effectiveness and efficiency in individual and organizational performance.
~~Effectiveness is the achievement of objectives.~~
~~Efficiency is the achievement of the ends with the least amount of resources.~~ To know whether they are productive, managers must know their goals and those of organization.

MANAGING: SCIENCE OR ART?

Managing, like all other practices — whether of medicine, — music composition, engineering, accountancy, or even baseball — is an art. It is known-how; it is doing things in the light of the realities of a situation. Yet managers can work better by using the

organized knowledge, whether exact or inexact, that is and pertinent, co-practice is an aspect of the practice may context science and are complementary

As science happened in the sure, the science and inexact. This with which managers such management certainly improved without the advantages than witch doctors

without such management science must trust to luck, intuition, or what they did in the past.

In managing, as in any other field, unless practitioners are to learn by trial and error (and it has been said that managers errors are their subordinates 'trials), there is no place they can turn for meaningful guidance other than the accumulated knowledge underlying their practice.

→ THE ELEMENTS OF SCIENCE:

Science is organized knowledge. The essential feature of any science is the application of the scientific method to the development of knowledge. Thus, we speak of a science as having clear concepts, theory, and other accumulated knowledge developed from hypotheses (assumptions that something is true), experimentation, and analysis.

→ Management Skills:

No discussion of organizational resources would be complete without the mention of management skills, perhaps the primary determinant of, how effective and efficient managers will be.

According to a classic by Robert L. Katz, managerial success depends primarily on performance rather than on personality traits. Katz also states that managers ability to perform is a result of their managerial skills. A manager with the necessary management skills will probably perform well and be relatively successful. One without the necessary skills will probably perform poorly and be relatively unsuccessful.

Katz indicates that three types of skills are important for successful management performance:

- technical skills: human skills, and, conceptual skills.

1

2

3

* Technical skills, involve using specialized knowledge and expertise in executing work - related techniques and procedures. Examples of these skills are engineering, computer programming, and accounting. Technical skills are mostly related to working with "thing" - processes or physical objects.

* Human skills, are skills that build cooperation with attitudes and communication, individual and group interests - in short, working with people.

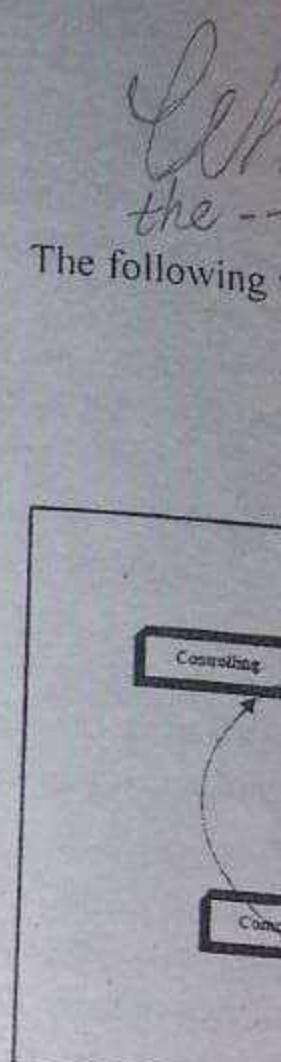
* Conceptual skills, involve the ability to see the organization as a whole. A manager with conceptual skills is able to understand how various functions of the organization complement one another, how the organization relates to its environment, and how changes in one part of the organization affect the rest of the organization.

types of skills

Under management as a process, management is considered as a continuing activity made up of basic management functions. The process is ongoing and continuing. It assumes a cyclical character.

- 1. **Planning:** Denotes the determination of short-to-long-range plans to achieve the objectives of organization.
- 2. **Organizing:** Indicates the development of sound organization structure according to predetermined plans.
- 3. **Direction:** Means stimulating and motivation of personnel of the organization according to predetermined plans.
- 4. **Controlling:** Offers assurance that directs action i.e., plan-in-action, is taking Functions of Management place as per plan.

We have an ongoing cycle of planning - action - control - re-planning. Control function closes the system loop by providing adequate and accurate feedback of significant deviations from planned performance in time. Feedback can affect the inputs or any of the managerial functions or the process so that deviations can be removed and goals can be accomplished



2.2 MANAGERIAL FUNCTIONS

A manager is called upon to perform the following managerial functions:

- (1) Planning
- (2) Organizing
- (3) Staffing
- (4) Directing
- (5) Motivating
- (6) Controlling
- (7) Co-coordinating and
- (8) Communicating.

1. **Planning** is the first managerial function. It involves setting goals and policies for the future.
2. **Organizing** involves bringing together resources to execute the plans and achieve the goals.

3. **Staffing:** Staffing involves filling the positions needed in the organization structure by appointing competent and qualified persons for the job. This needs manpower Decision-making on knowledge of experience Controlling Planning

4. **Directing:** Direction involves managing managers, managing workers and the work through the means of motivation, proper leadership, effective communication as well as co-ordination. A manager must develop the ability to command and direct others.

5. **Motivating:** Motivation is a managerial function to inspire and encourage people to take required action. Motivation is the key to successful management of any enterprise. Motivation can set into motion a person to carry out certain activity.

6. **Controlling:** Control is the process of measuring actual results with some standard of performance, finding the reason for deviations of actual from desired result and taking corrective action when necessary. Thus, controlling enables the realization of plans. The steps of controlling:

- Identify potential problems.
- Select mode of control.
- Evaluate performance in terms of planning.
- Spot significant deviations.
- Ascertain causes of deviations.
- Take remedial measures.

7. **Co-ordination:** Co-ordination is concerned with harmonious and unified action directed toward a common objective. It

what
are
the
steps
of controlling

ensures that all groups and persons work efficiently, economically and in harmony. Co-ordination requires effective channels of communication. Person-to-person communication is most effective for coordination.

- ⇒ 8. **Communication**: It means transfer of information and understanding from person to person. Communication also leads to sharing of information, ideas and knowledge. It enables group to think together and act together.

2.3 PLANNING

Planning means looking ahead. It is deciding in advance what is to be done. Planning includes forecasting. According to Henry Fayol - "purveyance, which is an essential element of planning, covers not merely looking into the future but making provisions for it. A plan is then a projected course of action". All planning involves anticipation of the future course of events and therefore bears an element of uncertainty in respect of its success.

Planning is concerned with the determination of the objectives to be achieved and course of action to be followed to achieve them. Before any operative action takes place it is necessary to decide what, where, when and who shall do the things. Decision making is also an important element of planning. Planning determines both long-term and short-term objectives and also of the individual departments as well as the entire organization. According to Fayol - "The plan of action is, at one and the same time, the result envisaged, the line of action to be followed, the stages to go through, and the methods to use. It is a kind of future picture wherein proximate events are outlined with some distinctness...." Planning is a mental process requiring the use of intellectual faculties' imagination, foresight, sound judgment etc.

Planning is deciding in advance what is to be done. It involves the selection of objectives, Functions of Management policies, procedures and programs from among alternatives.

A plan is a predetermined course of action to achieve a specified goal. It is a statement of objectives to be achieved by certain means in the future. In short, it is a blueprint for action. According to Louis A. Allen - "Management planning involves the development of forecasts, objectives, policies, programs, procedures, schedules and budgets".

According to Theo Haimann - "Planning is deciding in advance what is to be done. When a manager plans, he projects a course of action, for the future, attempting to achieve a consistent, co-ordinated structure of operations aimed at the desired results".

According to Koontz O'Donnell - "Planning is an intellectual process, the conscious determination of courses of action, the basing of decisions on purpose, acts and considered estimates".

2.3.1 Nature of Planning

1. **Planning is goal-oriented:** Every plan must contribute in some positive way towards the accomplishment of group objectives. Planning has no meaning without being related to goals.
2. **Primacy of Planning:** Planning is the first of the managerial functions. It precedes all other management functions.
3. **Pervasiveness of Planning:** Planning is found at all levels of management. Top management looks after strategic planning. Middle management is in charge of administrative planning. Lower management has to concentrate on operational planning.
4. **Efficiency, Economy and Accuracy:** Efficiency of plan is measured by its contribution to the objectives as economically as possible. Planning also focuses on accurate forecasts.

5. Co-ordination: Planning co-ordinates the what, who, how, where and why of planning. Without co-ordination of all activities, we cannot have united efforts.

6. Limiting Factors: A planner must recognize the limiting factors (money, manpower etc) and formulate plans in the light of these critical factors.

7. Flexibility: The process of planning should be adaptable to changing environmental conditions.

8. Planning is an intellectual process: The quality of planning will vary according to the quality of the mind of the manager.



2.3.2 Importance of Planning

As a managerial function planning is important due to the following reasons:-

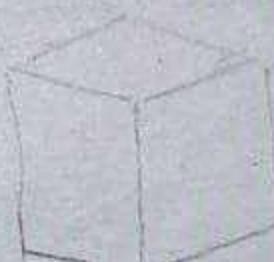
1. To manage by objectives: All the activities of an organization are designed to achieve certain specified objectives. However, planning makes the objectives more concrete by focusing attention on them.

2. To offset uncertainty and change: Future is always full of uncertainties and changes. Planning foresees the future and makes the necessary provisions for it.

3. To secure economy in operation: Planning involves, the selection of most profitable course of action that would lead to the best result at the minimum costs.

4. To help in co-ordination: Co-ordination is, indeed, the essence of management, the planning is the base of it. Without planning it is not possible to co-ordinate the different activities of an organization.

5. To make control effective: The controlling function of management relates to the comparison of the planned performance with the actual



against uncertainty

- Planning is many times very costly.
- Tendency towards inflexibility to change is another limitation of planning.
- Planning delays action.
- Planning encourages a false sense of security against risk or uncertainty.



2.3.5 Planning Process



The planning process involves the following steps:

1. Analysis of External Environment: The external environment covers uncontrollable and unpredictable factors such as technology, market, socio-economic climate, political conditions etc., within which our plans will have to operate.
2. Analysis of Internal Environment: The internal environment covers relatively controllable factors such as personnel resources, finance, facilities etc., at the disposal of the firm. Such an analysis will give an exact idea about the strengths and weakness of the enterprise.
3. Determination of Mission: The "mission" should describe the fundamental reason for the existence of an organization. It will give firm direction and make out activities meaningful and interesting.
4. Determination of Objectives: The organizational objectives must be spelled out in key areas of operations and should be divided according to various departments and sections. The objectives must be clearly specified and measurable as far as possible. Every member of the organization should be familiar with its objectives.
5. Forecasting: Forecasting is a systematic attempt to probe into the future by inference from known facts relating to the past and the

present. Intelligent forecasting is essential for planning. The management should have no stone unturned Functions of Management in reducing the element of guesswork in preparing forecasts by collecting relevant data using the scientific techniques of analysis and inference.

6. Determining Alternative course of Action: It is a common experience of all thinkers that an action can be performed in several ways, but there is a particular way which is the most suitable for the organization. The management should try to find out these alternatives and examine them carefully in the light of planning premises.

7. Evaluating Alternative Courses: Having sought out alternative courses and examined their strong and weak points, the next step is to evaluate them by weighing the various factors.

8. Selecting the Best: The next step - selecting the course of action is the point at which the plan is adopted. It is the real point of decision-making.

9. Establishing the sequence of activities: After the best program is decided upon, the next task is to work out its details and formulate the steps in full sequences.

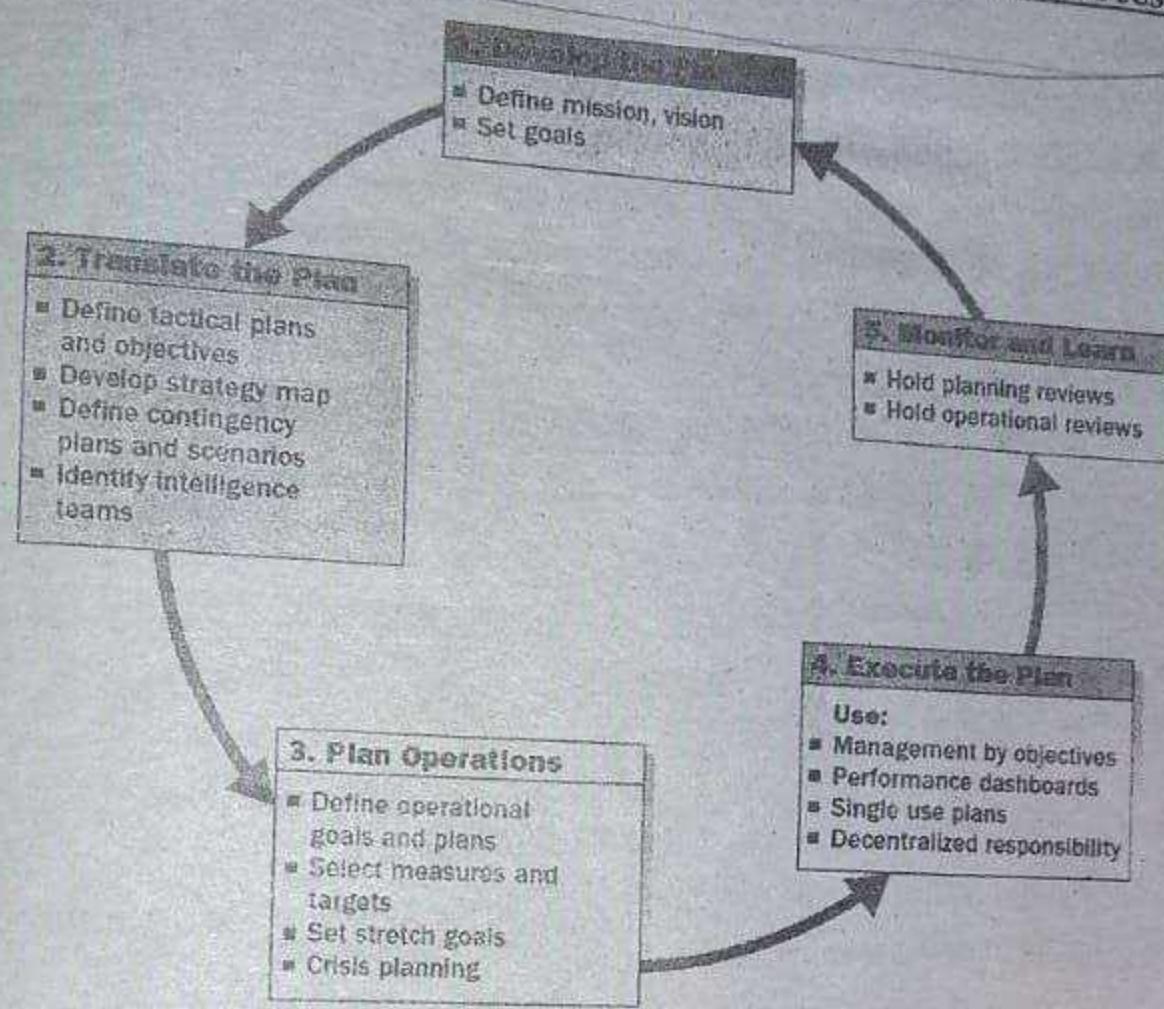
10. Formulation of Action Programs: There are three important constituents of an action plan:

- The time-limit of performance,
- The allocation of tasks to individual employees,
- The time-table or schedule of work so that the functional objectives are achieved within the predetermined period.

11. Reviewing the planning process: Through feedback mechanism, an attempt is made to secure that which was originally planned. To do this we have to compare the actual performance with the plan and then

we have to take necessary corrective action to ensure that actual performance is as per the plan.

EXHIBIT 6.2 The Organizational Planning Process



OBJECTIVES

Objectives may be defined as the goals which an organization tries to achieve. Objectives are described as the end-points of planning. According to Koontz and O'Donnell, "an objective is a term commonly used to indicate the end point of a management program."

Objectives constitute the purpose of the enterprise and without them no intelligent planning can take place. Objectives are the ends towards which the activities of the enterprise are aimed. They are present not only the end-point of planning but also the end towards which organizing, directing and controlling are aimed.

Objectives provide direction to various activities. They also serve as the benchmark of measuring the efficiency and effectiveness of the enterprise. Objectives make every human activity purposeful. Planning has no meaning if it is not related to certain objectives.



3.4.1 Features of Objectives

1. The objectives must be predetermined.
2. A clearly defined objective provides the clear direction for managerial effort.
3. Objectives must be realistic.
4. Objectives must be measurable.
5. Objectives must have social sanction.
6. All objectives are interconnected and mutually supportive.
7. Objectives may be short-range, medium-range and long-range.
8. Objectives may be constructed into a hierarchy.

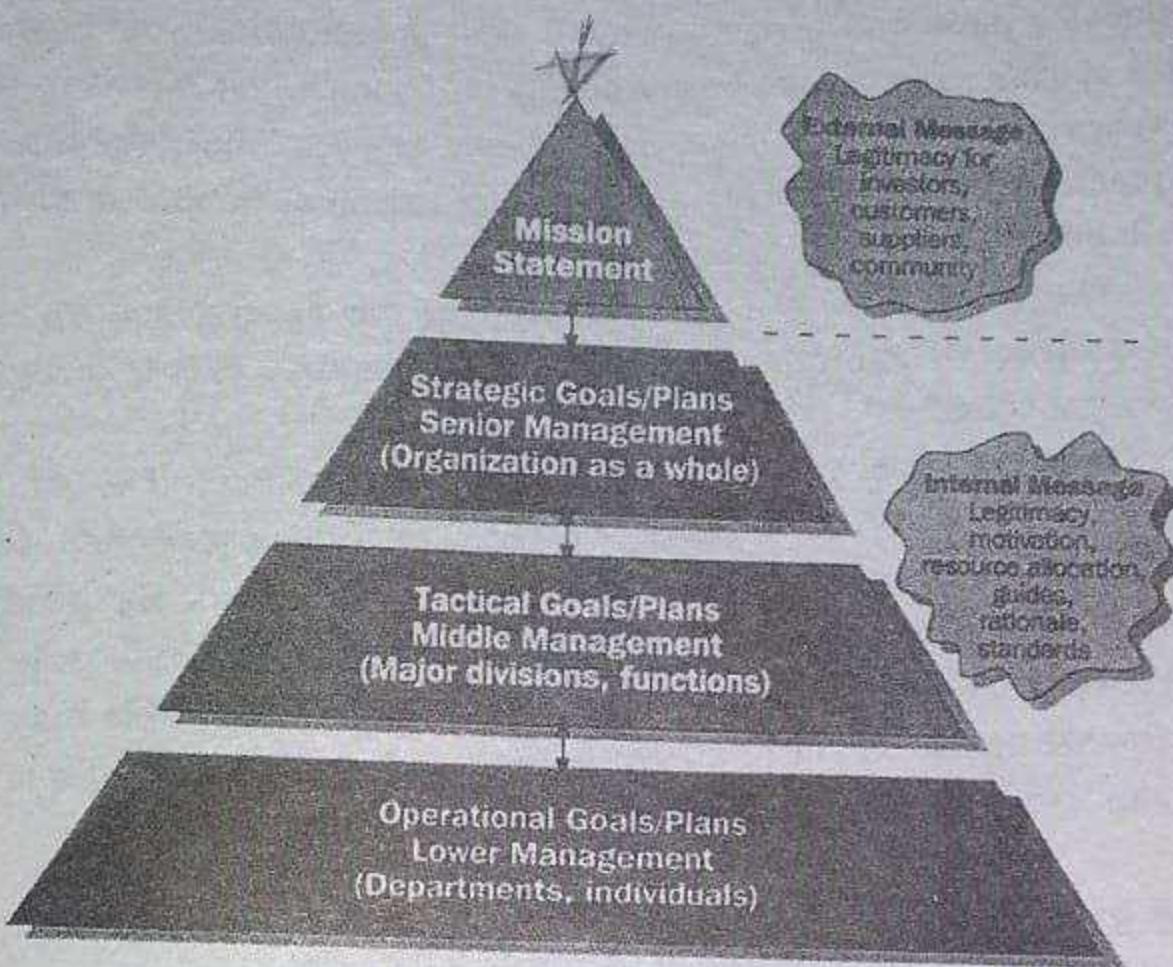
Principles of Management and Organizational Behavior

3.4.2 Advantages of Objectives

1. Clear definition of objectives encourages unified planning.
2. Objectives provide motivation to people in the organization. When the work is goal-oriented, unproductive tasks can be avoided.
3. Objectives provide standards which aid in the control of human

Illustrate by diagram the relation between organizational levels and levels of Goals/Plans?

EXHIBIT 7.2 Levels of Goals/Plans and Their Importance



3.5 STRATEGIES

The term 'Strategy' has been adapted from war and is being increasingly used in business to reflect broad overall objectives and policies of an enterprise. Literally speaking, the term 'Strategy' stands for the war-art of the military general, compelling the enemy to fight as per our chosen terms and conditions. A strategy is a special kind of plan formulated in order to meet the challenge of the policies of competitors. This type of plan uses the competitors' plan as the

In addition, to make a role work out effectively provision should be made for supplying needed information and other tools necessary for performance in that role.

- * It is in this sense that we think of organizing as
- (1) the identification and classification of required activities, (2) the grouping of activities necessary to attain objectives, (3) the assignment of each grouping to a manager with authority necessary to supervise it (delegation), and (4) the provision for coordination horizontally (on the same or similar organizational level) and vertically (e.g., corporate headquarters division, and department) in the organization structure.

An organization structure should be designed to clarify who is to do what and who is responsible for what results, to remove obstacles to performance caused by confusion and uncertainty of assignment and to furnish decision-making and communications networks reflecting and supporting enterprise objectives.

"Organization" is a word many use loosely. Some would say it includes all the behavior of all participants. Others would equate it with the total system of social and cultural relationships. Still others refer to an enterprise, such as the United States Steel Corporation or the Department of Defense, as an "organization." But for most practicing managers, the

term organization structure of roles generally used in the term to denote a

What do we mean by "roles"? In the first place, the nature and content of roles working together in one place, the roles are intentionally designed to be done and to make that people can efficiently in groups they are organized in intentional structures.

FORMAL AND INFORMAL ORGANIZATIONS

Many writers distinguish between formal and informal organizations.

Formal Organization

In this book, the term organization means the intentional structure of roles in organized enterprises.

term organization implies a *formalized intentional structure of roles or positions*. The last meaning is generally used in this book, although we sometimes use the term to denote an enterprise.

What do we mean by an "intentional structure of roles"? In the first place, as we implied in defining the nature and content of organizational roles, people working together must fill certain roles. In the second place, the roles people are asked to fill should be intentionally designed to provide that required activities be done and to make sure that activities fit together so that people can work smoothly, effectively, and efficiently in groups. Certainly most managers believe they are organizing when they establish such *an intentional structure*.

FORMAL AND INFORMAL ORGANIZATION

Many writers on management distinguish between formal and informal organization. Both types are found in organizations.

Formal Organization

In this book, generally formal organization means the intentional structure of roles in a formally organized enterprise. While we speak of an organization as "formal," there is nothing inherently inflexible or

unduly confining about it, if the manager is to organize well, the structure must furnish an environment in which individual performance, both present and future, contributes most effectively to group goals.

* Formal organization must be flexible. There should be room for discretion for taking advantage of creative talents, and for recognition of individual likes and capacities in the most formal of organizations. Yet, individual effort in a group situation must be channeled toward group and organization goals.

Although the attainment of goals must be the reason for any cooperative activity, we must look further for principles to guide the establishment of effective formal organization. These principles — summarized at the end of Part I pertain to the unity of objectives and organizational efficiency.

Informal Organization

Chester Barnard, author of the management classic *The Functions of the Executive*, regarded as informal organization any joint personal activity without conscious joint purpose, even though contributing to joint results. Thus, the informal relationships established in the group of people playing chess during lunchtime may aid in the achievement of organizational goals. It is much easier to ask for help on

an organization problem from a person you know, and who may even be in a different department, than from a person you know only as a name on an organization chart. More recently, Keith Davis of Arizona State University, who has written extensively on the topic and whose definition will be used in this book, described the informal organization as "a network of personal and social relations not established or required by the formal organization but arising spontaneously² as people associate with one another."² Thus, information organizations—relationship not appearing on an organization chart—might include the machine-shop group, the sixth-boy crowd the Friday evening bowing gang, and the morning coffee "regulars."

An inquiry into why and how these informal organizations exists a special study in social psychology. These dynamic interpersonal relationships are influenced by the number of people in the group, the actual personnel involved, what the group is concerned with, its changing leadership, and the continuing process of change. Managers must be aware of the informal organization and avoid antagonizing it. They will find it advantageous to use it as they manage subordinates.

ORGANIZATIONAL DIVISION: THE DEPARTMENT

One aspect of organizing is the establishment of departments. The word department designates a distinct area, division, or branch of an organization over which a manager has authority for the performance of specified activities. A department, as the term is generally used, may be the production division, the sales department, the West Coast branch, the market research section, or the accounts receivable unit. In some enterprises, departmental terminology is loosely applied; in others, especially large ones, a stricter terminology indicates hierarchical relationships. Thus, a vice-president may head a division; a director, a department; a manager, a branch; and a chief, a section.

ORGANIZATION LEVELS AND THE SPAN OF MANAGEMENT³

Since the reason for organizing is to make human cooperation effective, we find the reason for levels of organization in the limitations of the span of management. In other words, organization levels exist because there is a limit to the number of persons a manager can supervise effectively, even though this limit varies depending on situations. There is a relationship between

the span and management levels; a narrow

Choosing the

In every organization there are many subordinates. The span of management is the number of subordinates a manager can effectively supervise. In general, it ranges from six to eight subordinates to twelve to twenty-four. For example, the Airwick found that the span of management is superior to that of the next level of organization. Responsibility for the supervision of a group of subordinates is not for the supervisor alone. It is shared by all members of the group. The span of management is limited by the amount of responsibility that can be effectively handled by a supervisor. If a supervisor is responsible for too many subordinates, he will not be able to manage them effectively.

In a survey of American managers, it was found that the average span of management is approximately twenty-four, and that the range of spans of management among different companies is wide. One small company had a span of management of only one, while another had a span of management of forty-eight. The most common span of management was found to be between twelve and twenty-four.

the span and the organizational levels. A wide span of management is associated with few organizational levels; a narrow span results in many levels.

Choosing the Span

In every organization it must be decided how many subordinates a superior can manage. Students of management have found that this number is usually four to eight subordinates at the upper levels of organization and eight to fifteen or more at the lower levels. For example, the prominent British consultant Lyondell Airwick found "the ideal number of subordinates for all superior authorities to be four," while "at the lowest level of organization, where what is delegated is responsibility for the performance of specific tasks and not for the supervision of others, the number may be eight or twelve."⁴ Others find that a manager may be able to manage as many as twenty to thirty subordinates.

In a survey of 100 large companies made by the American Management Association, the number of executives reporting to the presidents varied from one to twenty-four, and only twenty-six presidents had six or fewer subordinates. The median number was nine.⁵ In 31 smaller companies surveyed, twenty-five of the presidents supervised seven or more subordinates, and the most common number was eight. Comparable results were found in other studies.

situations, rather than to assume that there is a widely applicable numerical limit. If we can examine what it is that consumes the time of managers in their handling of their superior-subordinate relationships, and also ascertain what devices can be used to reduce these time pressures, we have an approach that will be helpful in determining the best span in individual cases and also a powerful tool for finding out what can be done to extend the span without destroying effective supervision. There can be no argument that the costs of levels of supervision are such as to make it highly desirable for every individual manager to have as many subordinates as can be effectively supervised.

FACTORS DETERMINING AN EFFECTIVE SPAN

In searching for the answer as to how many subordinates a manager can effectively manage, we discover that—aside from such personal capacities as comprehending quickly, getting along with people, and commanding loyalty and respect—the most important determinant is the manager's ability to reduce the time the superior spends with subordinates. This ability naturally varies with managers and their jobs, but several factors materially influence the number and frequency of such contacts and therefore the span of management.

1. Subordinate Training

→ The better the training of subordinates, the less the impact of necessary superior-subordinate relationships. Well-trained subordinates require not only less of their manager's time but also less contact with them.

Training problems increase in new and more complex industries: Managers in the railroad industry, for example, would—because the technology does not change much—tend to be more completely trained than those in the aerospace industry. The rapid changes in policy and procedures in the complex electronics and missile industries would increase training problems.

2. Clarity of Delegation of Authority

→ Although training enables managers to reduce the frequency and extensiveness of time-consuming contacts, the principal cause of the heavy time burdens of superior-subordinate relationships is to be found in poorly conceived and confused organization. The most serious symptom of poor organization affecting the span of management is inadequate or unclear authority delegation. If a manager clearly delegates authority to undertake a well-defined task, a well-trained subordinate can get it done with a minimum of the superior's time and attention. But if the subordinate's task is not one

that can be done, if it is not clearly defined, or if the subordinate does not have the authority to undertake it effectively, either the task will not be performed or the manager will have to spend a disproportionate amount of time supervising and guiding the subordinate's efforts.

3: Clarity of Plans

Much of the character of a subordinate's job is defined by the plans to be put into effect. If these plans are well defined, if they are workable, if the authority to undertake them has been delegated, and if the subordinate understands what is expected, little of a supervisor's time will be required. Such is often the case with a production supervisor responsible for largely repetitive operations. Thus, in one large-volume work-clothing manufacturer's plant, production supervisors operated satisfactorily with as many as thirty subordinates.

On the other hand, where plans cannot be drawn accurately and where subordinates must do much of their own planning, they may require considerable guidance. However, if the superior has set up clear policies to guide decisions and has made sure they are consistent with the operations and goals of a department, and if the subordinate understands them, there will certainly be fewer demands on the superior's time than

there would be if these policies were indefinite, incomplete, or not understood.

4. Use of Objective Standards

A manager must find out, either by personal observation or through use of objective standards, whether subordinates are following plans. Obviously, good objective standards, revealing with ease any deviations from plans, enable managers to avoid many time-consuming contacts and to direct attention to exceptions at points critical to the successful execution of plans.

5. Rate of Change

Certain enterprises change much more rapidly than others. The rate of change is an important determinant of the degree to which policies can be formulated and the stability of policies maintained; it may explain the organization structure of companies—railroad, banking, and public utility companies, for example operating with wide spans of management or, on the other hand, the very narrow span of management used by General Eisenhower during World War II.

The effect of slow change on policy formulation and on subordinate training is dramatically shown in the organization of the Roman Catholic Church. This

6 Why

organization, in terms of durability and stability, can probably be regarded as the most successful in the history of Western civilization. Yet the organization levels are few: in most cases, bishops report directly to the Pope, and parish pastors to bishops, although in some instances bishops report to archbishops. Thus, there are generally only very few levels in this worldwide organization and a consequent wide span of management at each level. Even though it is unquestionably too broad, this extraordinarily wide span is apparently tolerable, partly because of the degree of training possessed by the bishops and, even more, because the rate of change in the Church has been slow. Changes in procedures or policies are developments of decades, and major objectives have remained the same for almost 2000 years.

6. Communication Techniques

The effectiveness with which communication techniques are used also influences the span of management. Objective standards of control are a kind of communications device, but many other techniques reduce the time spent with subordinates.

If every plan, instruction, order, or direction has to be communicated by personal contact and every organization change or staffing problem handled orally, a manager's time will obviously be heavily burdened.

7. Amount of Personal Contact Needed

In many instances, face-to-face meetings are necessary. Many situations cannot be completely handled with written reports, memorandums, policy statements, planning documents, or other communications not calling for personal contact. An executive may find it valuable and stimulating to subordinates to flied and discuss problems in the give-and-take of a conference. There may as be problems of such political delicacy that they can be handled only in face-to4ace meetings. This is also true when it comes to appraising people's performance and discussing it with them. And there are other situations where the best way of communicating a problem, instructing a subordinate, "getting a feel" for how people really think on some matter is to spend time in personal contact.

We wonder, however, whether the high percentage of executive time spent in riveting and committees might be reduced somewhat by better training, better policy making and planning, clearer delegation, more thorough staff work, better control systems and objectives standards, and, in general, better application of sound principles of management. We wonder, also, whether much of the time spent in personal contact might not be much better spent in thought and study.

At the other extreme, many companies seem somewhat unaware of how newer personnel techniques affect first line supervisors, many of whom appear to have spans of management far beyond their abilities to handle them. Merit rating, insurance programs, grievance procedures, and other personnel matters now requiring supervisors' time in face-to-face relationships have reduced their traditionally wide spans. This is not to say that these innovations are not worth their cost, but span-of-management limitations must be evaluated in the light of these factors. Perhaps we have reached the point where first level supervisors, with a traditionally large number of people reporting to them, are the most overworked of all managers.

8. Variation by Organization Level

Several research projects have found that the size of the most effective span differs by organization level. In one major study, the researchers developed and tested a model to take into account this variable and found that the degree of specialization by individuals ("person specialization") was the most important variable affecting span, although technology and size also were tested since previous research had concentrated on these.⁶ It was found that (I) when a greater number of specialties were supervised, effective spans were less at lower and middle levels of organization but were increased at upper levels, primarily because top-level

managers were enterprise-wide in planning, and (lack of variety) have little effect on personnel) has effect at middle levels.

Actually, variables of practitioners' technology and upper levels are outlined in the following table.

9. Other Factors

Besides the size of the span of control, trained managers have more than one supervisor. Simple tasks are complex; There are several management levels of subordinates as well as the top level. Similarly, various functions may delegate authority.

managers were most concerned with the interface of the enterprise with its external environment, strategic planning, and major policy matters; (2) routine ness (lack of variety of work) of an operation appeared to have little effect at any level; and (3) size (in terms of personnel) had little effect at lower levels but a positive effect at middle levels.

Actually, this study is consistent with the impact of variables outlined above. It found what many practitioners have long known: that neither size nor technology has had much to do with an effective span at upper levels of an organization although the variables outlined in this section have:

9. Other Factors

Besides the listed facts, there are others that influence the span of management. For example, a competent and trained manager can effectively supervise more people than one not having these attributes. Furthermore, simple tasks may allow for a wider span than tasks that are complex and include a great variety of activities. There are still other factors that favor a wider span of management, such as the positive attitudes of subordinates toward assumption of responsibility, as well as their willingness to take reasonable risks. Similarly, with more mature subordinates, the superior may delegate more authority, thus widening the span.

Chapter (4) The Nature and Purpose of Staffing

* DEFINITION OF STAFFING

The managerial function of staffing is defined as filling, and keeping filled, positions in the organization structure through identifying work-force requirements, inventorying the people available, recruiting, selecting, placing, promoting, appraising, planning the careers, compensating, and training or otherwise developing both candidates and current jobholders, to accomplish their tasks effectively and efficiently.⁴ It is clear that staffing must be closely linked to organizing, that is, to the setting up of intentional structures of roles and positions.

Many writers on management theory discuss staffing as a phase of organizing. We, however, have identified staffing as a separate managerial function for several reasons. First, the staffing of organizational roles includes knowledge and approaches not usually recognized by practicing managers, who often think of organizing as just setting up a structure of roles, and give little attention to filling these roles. Second, making staffing a separate function allows us to give even greater emphasis to the human element in selection, appraisal, career planning, and manager development. Third, an important body of knowledge & experience has

*what are Factors Affecting the Number and Kinds of Managers Required

The number of managers needed in an enterprise depends not only upon its size but also upon the complexity of the organization structure, the plans for expansion, and the rate of turnover of managerial personnel. The ratio between the number of managers and the number of employees does not follow any law. It is possible, by enlarging or contracting the delegation of authority, to modify a structure so that the number of managers in a given instance will increase or decrease regardless of the size of an operation.

The annual rate of appointments to managerial positions can be determined by a review of past experience and future expectations. Analysis will also reveal the relative importance of age for retirement, vacancies created by ill health, demotions, and separations, and the steady demand of other enterprises for able young subordinates whom the firm has trained but is unable to hold.

Although the need for determining the number of managers required has been stressed here, it is dear that number are only part of the picture. Specifically, the qualifications for individual positions must be identified so that the best-suited managers can be chosen.

Leadership

DEFINITIONS AND MEANING OF LEADERSHIP

Leadership is an abstract quality in a human being to induce his followers to do whatever he is directed to do with the zeal and confidence.

Leadership is "the ability to awaken in others the desire to follow a common objective".

~~* Leadership~~ is "the relation between an individual and a group around some common interest and behaving in a manner directed or determined by him".

~~* Leadership~~ is generally defined as "the art of influencing people so that they will strive willingly towards the achievement of group goals".

CHARACTERISTIC OF LEADERSHIP

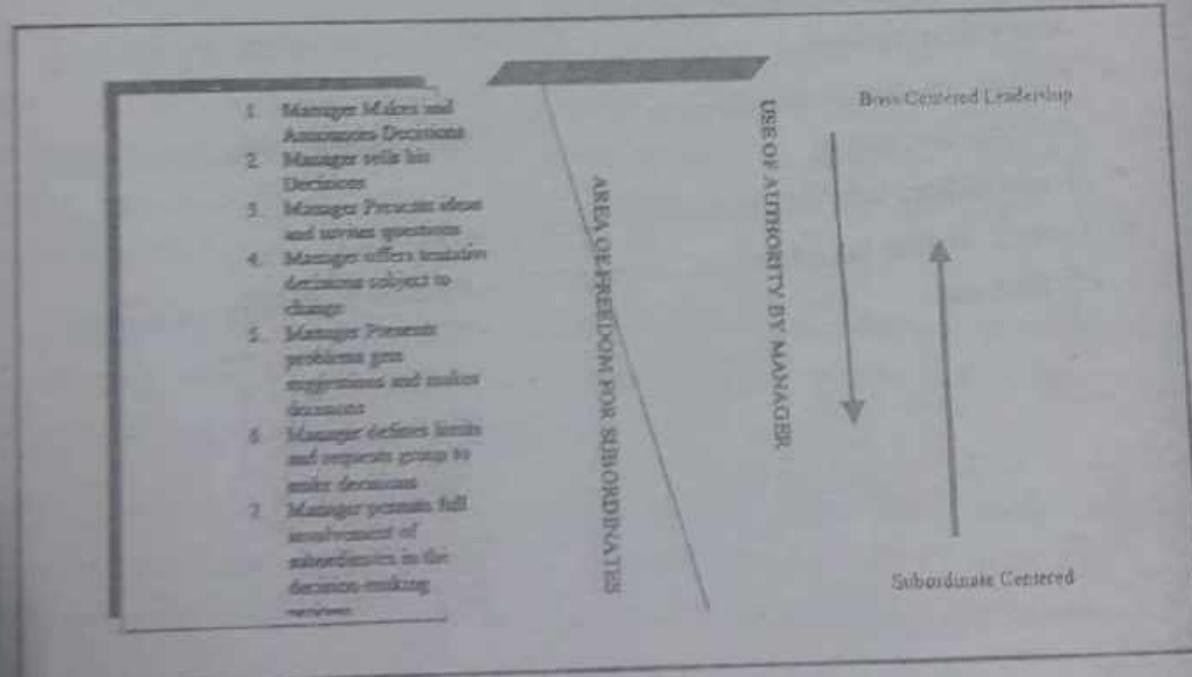
1. *Leadership implies the existence of followers:* We appraise the qualities of leadership by studying his followers. In an organization leaders are also followers for e.g.: - Supervisor works under a branch head. Thus, in a formal organization a leader has to be able to be both a leader as well as a follower, and be able to relate himself both upward and downward.

LEADERSHIP ROLES

⇒ Leadership Roles

1. The Manager makes decision and announces it: It is an extreme form of autocratic leadership whereby decisions are made by the boss who identifies the problem, considers alternative solutions, selects one of them and then reports his decision to his subordinates for implementation.
2. The Manager sells his decisions: It is a slightly improved form of leadership wherein the manager takes the additional step of persuading the subordinates to accept his decision.
3. The Manager presents his ideas and invites questions: There is greater involvement of the employees in this pattern. The boss arrives at the decision, but provides a full opportunity to his subordinates to get fuller explanation of his thinking and intentions.

Figure 8.1: Range of leadership styles



which are skills related to

* LEADERSHIP SKILL

The leader is expected to play many roles and therefore, must be qualified to guide others to organizational achievement. Although no set of absolute traits or skills may be identified, the individuals who possess abilities to lead others must have certain attributes to help them in performing their leadership rolls. In a broad way the skills which are necessary for an industrial leader may be summarized under four heads:-

- A. Human skill
- B. Conceptual skill
- C. Technical skill and
- D. Personal skill.

A- Human Skill

A good leader is considerate towards his followers because his success largely depends on the co-operation of his followers. He approaches various problems in terms of people involved more than in terms of technical aspects involved. A leader should have an understanding of human behavior. He should know people; know their needs, sentiments, emotions, as also their actions and reactions to particular decisions, their motivations etc.

Thus, a successful leader possesses the human relations attitude. He always tries to develop social understanding with other people. The human skill involves the following:-

(a) *Empathy*: A leader should be able to look at things objectively. He should respect the rights, belief and sentiments of others. He should equip himself to meet the challenges emanating from the actions and

enthusiasm that one can achieve what one wants. Leaders have relatively intense achievement type motivational drive.

(d) **Integrity:** In the words of F.W Taylor - "integrity is the straight forward honesty of purpose which makes a man truthful, not only to others but to himself; which makes a man high-minded, and gives him high aspirations and high ideals".

(e) **Flexibility of Mind:** A leader must be prepared to accommodate other's viewpoints and modify his decisions, if need be. A leader should have a flexible mind, so that he may change in obedience to the change in circumstances. Thomas Carle has said - "A foolish consistency is the hobgoblin of a little mind".

In sum, a leader must have a dynamic personality, intellectual attainment, amiable disposition, unassuming temperament and knowledge of how to deal with his followers.

Compare between ?

→ Difference between Leadership and Management:

Leadership is different from management. The main differences between these two terms are:-

1. A manager is required to plan, organize, direct and control. But a leader is one who gets others to follow him.
2. A manager depends on his authority. But a leader depends on his confidence and goodwill. He inspires enthusiasm.
3. Management is concerned with the formulation of broad policies to guide the operations of an enterprise. But leadership is concerned with the initiation of action for the accomplishment of the goals.
4. An individual is a leader in the true sense if he is accepted as a leader by the group. A manager is appointed and he derives his authority by virtue of his office.

Lost

5. Management is associated with the organized structure. But leadership may be associated with unorganized groups.

IMPORTANCE OF LEADERSHIP

The importance of leadership in an organization cannot be denied. People working in an organization need individuals (leaders) who could be instrumental in guiding the efforts of groups of workers to achieve goals and objectives of both the individuals and the organization. The leader guides the action of others in accomplishing these tasks. A good leader motivates his subordinates, creates confidence and increases the morale of the workers. The following points highlight the importance of leadership:-

1. Leadership is the process of influencing the activities of an individual or a group towards the achievement of a goal.
2. An effective leader motivates the subordinates for higher level of performance.
3. Leadership promotes team - spirit and team - work which is quite essential for the success of any organization.
4. Leadership is an aid to authority. A leadership helps in the effective use of formal authority.
5. Leadership creates confidence in the subordinates by giving them proper guidance and advice.

FUNCTIONS OF A LEADER

Effective leader is one who can make ordinary men do extraordinary things, make common people do uncommon things. Leadership is a lifting of a man's sights to a higher vision, the raising of man's standard to a higher performance, the building of a man's personality

The Communication Process:

It is useful to think of communication as a process of sending and receiving messages with attached meanings.¹ The key elements in the communication process are illustrated in figure (5/1). They include a source, who encodes an intended meaning into a message, and a receiver, who decodes the message into a perceived meaning. The receiver may or may not give feedback to the source. Although this process may appear very elementary, it is not quite as simple as it seems. Noise is a term used to describe any disturbance within the communication process that disrupts it and interferes with the transference of messages. Many types of noise can cause possible problems in all communication attempts.

The Intended Communication:

Communication in organizations serves many purposes. Often evident are attempts by the

having to criticize a subordinate about unacceptable work performance is one of the most difficult communication situations faced by co-workers and manager's .A message that is intended to be polite and constructive can easily end up being viewed as unpleasant and even threatening. There is an art to giving performance feedback in such a way that it is ultimately accepted and used constructively by the receiver.

* **Effective Communication:**

Effective communication occurs when the intended meaning of the source and the perceived meaning of the receiver are virtually the same although this should be the goal of all communication attempts, it is not always achieved.

Even now, we worry whether or not -you are interpreting these written words exactly as we intend. It

would be much easier to communicate if face to face in a classroom where you could ask clarifying questions. Providing ample opportunities for others to offer feedback and ask questions is important to communication effectiveness.

* Efficient communication occurs at minimum cost in terms of resources expended. Time, for example, is an important resource to all of us and it often plays a role in how we communicate with others. Picture your instructor taking the time to communicate individually with each student in your class about the course subject matter. It would be virtually impossible to do so give his or her other responsibilities. Even if it was possible, it would be very time consuming. This is one of the reasons why business people often rely on the efficiency of written memos, posted bulletins, e-mail and voice-mail.

As efficient as these latter forms of communication may be, however, they are not always effective. A change in policy posted by efficient e-mail may save time for the sender, but it may not be effective in terms of ultimate impact on the receiver. Similarly, an effective communication may be inefficient. For a regional sales manager to visit each field sales representative and personally explain a new procedure may guarantee that every truly understands the change, but it may also be prohibitively expensive in terms of time and travel.

Nonverbal Communication:

Nonverbal communication occurs through facial expression, body posture, and other physical gestures, in contrast to direct written or oral expression. Kinesic, or the study of gestures and body postures, has achieved a rightful place in communication theory and research. The nonverbal side to communication can

All too often, unfortunately, many of us emphasize the telling part and give far too little attention to the listening part.

Take a moment to consider the following conversations. Read both examples – ideally speaking the words out loud – and think how you would feel as the group leader.

⇒ **Communication Channels:**

Research indicates that channel richness the capacity of a communication channel to convey information, will influence the effectiveness of communication. The richest channels tend to be face to face, followed by telephone, e-mail, written memos, and letters. The leanest channels are posted notices and bulletins. For more complex messages such as the clarification of a task force's goals and timetable, richer channels are needed to achieve effectiveness: leaner

channels work well for more routine and straightforward messages such as announcing the agenda and location of a previously scheduled task force meeting.

Formal channels of communication follow the chain of command: they route communications point to point following the organization's hierarchy of authority. Because formal channels of communication are recognized as authoritative, they are appropriately used to convey official policies, procedures, and other announcements. However, their use fulfills only one aspect of a much broader set of communication responsibilities in the work place

Networking was described as an essential managerial activity. Such interpersonal networks should be developed not only through the formal channels just described, but also through informal channels. The latter are not described in an

organization chart and they are not junked to the chain of command. Indeed, they diverge markedly from it by skipping and cutting across levels. Informal channels of communication are emergent; they develop from interpersonal relationships; they can also substantially affect information flows within organizations. Their importance to organizational performance is highlighted in the book *in search of excellence*, which reports that "excellent companies are a vast network of informal, open communications". Supporting examples include Levi Strauss, where management calls its open door policy the "fifth freedom," and Coming Glass, where escalators (rather than elevators) were installed in a new building to increase face to face contact among employees.

→ A common informal channel in organizations is the grapevine the network of friendships and acquaintances through which rumors and other

unofficial information are passed from person to person. Grapevines are able to transmit information more quickly and efficiently, and often with greater impact than formal channels. They also provide certain types of need satisfactions for their members. Being part of a grapevine, for example, offers a sense of security that one is "in on things"; it also offers opportunities for social interaction in the exchange of information. But on the negative side, grapevines can also transmit incorrect or untimely information in the form of rumors and innuendo. Both can be harmful to organizations and people.



Communication Barriers:

To improve the processes of communication in organization it is important to at least understand and deal with six sources of potential noise or interference: physical distractions, semantic problems cultural differences, mixed messages, absence of feedback, and