

Chapter 13: Delegation, Span of Management

Authority:

- Authority is the power to make decisions, which guide the action of others. As per Henry Fayol, "Authority is the right to give orders and the power to exact obedience." As per Kootnz and O'Donnell, "Authority is the power to command others to act or not to act, in a manner deemed by the possessor of the authority to further enterprises or departmental purposes."
- Power → Authority → Responsibility → Accountability
- **Sources of Authority**
There are broadly three theories regarding the sources from which authority originates. They are :
 - The formal authority theory: The authority flows from the General Manager to his departmental manager and in turn, from the departmental manager to his superintendent and the like.
 - The acceptance of authority theory: The authority flows from the superior to the subordinates whenever there is an acceptance on the part of the subordinates. The subordinates should accept the authority but there is no compulsion made by the superior. If the sub-ordinates do not accept the command of their superior, then the superior cannot be said to have any authority over them.
 - The competence theory: This type of authority is invested with the persons by virtue of the office held by them. The personal power of this type of persons is based on the leadership qualities of the person concerned.

Delegation:

- It is impossible for any person to execute all the work in an organization to achieve the objectives of the organization. Similarly, in a growing concern also, a single person cannot be vested with the entire decision making authority. So, the superior assigns duties or responsibilities to his subordinates and also delegates necessary authority to them.

- Delegation is a process, which enables a person to assign a work to others and delegate them with adequate authority to do it.
- Delegation is considered as one of the most important methods of training subordinates and building morals. The delegation of authority helps the manager to concentrate on the important work of planning, organizing and controlling.
- An individual can accomplish several simple and complex works. Delegation enables a person not only to discharge his responsibility but also to discharge it effectively and economically. To a business unit, which has different branches situated at different places, there is no alternative except delegation.

Principles of delegation

- Delegation to go by results expected: The superior should clearly know what he expects from the subordinate before the delegation of authority.
- Non – delegation of Responsibility: A superior can delegate authority but not responsibility.
- Authority and responsibility should commensurate with each other: A subordinate can discharge his duties effectively and efficiently if there is proper delegation of authority, otherwise a subordinate cannot succeed in accomplishing the assigned tasks.
Authority without responsibility will make the subordinate a careless person. Likewise, responsibility without authority will make the subordinate an inefficient person. Therefore, there should be a proper balance between authority and responsibility.
- Unity of command: The principle of unity of command insists that a subordinate should get instruction from only one superior.
- Definition of limitations of authority: A person knows well that an authority alone can delegate the authority properly. There should be written manuals which help a person to understand the authority in right direction. This will avoid confusion regarding the delegation of authority and enable effective functioning of the concerned person.

Types of delegation

Developed by P.M.Bendre

- General
- Specific
- Written
- Unwritten
- Formal
- Informal
- Downward
- Accrued
- Sideward

Decentralization:

- Decentralization means that each section has its own workers to perform activities within the department. There will be no general office to provide these services. Under decentralization, separate staff are allocated to each department for performing those activities which cannot be centralized.

Responsibility:

- Responsibility always arises from the superior-subordinate relationship. The essence of responsibilities is obligation. If a person is entrusted with any work, he should be held responsible for the work that he completes.
- Responsibility is the obligation to do something. In other words, responsibility is the obligation to perform the tasks, functions or assignments of the organization.

Span of Management:

- Span of management means the number of people managed efficiently by a single officer in an organization.
- It implies that a single executive should not be expected to give guidance to more people. Only limited number of persons are allocated to the executive for dividing the work or duties among the workers. In order to avoid overburden to the officers, it is essential to determine the span of control of the executive officers. In an average firm, an executive can efficiently control up to five or six sub-ordinates. The limit of the number of members for span of control may be increased or decreased according to the levels of management.

- A management expert named V.A. Graicunas contributed much to the Span of Management Theory. His theory identified the relationship prevailing between the superior and the subordinate. The relationships are classified into three categories. They are given below:
 1. Direct single relationships: Direct Single Relationship is one in which a supervisor has direct relationship with his subordinates individually.
 2. Direct group relationships: In Direct Group Relationship, a supervisor has direct relationship with his subordinates jointly. Here, A can consult B while C is present in a situation. In another situation, A can consult C while B is present.
 3. Cross relationships: In Cross Relationship, a subordinate has relationship with another subordinates mutually.
- V.A. Graicunas prescribed the following formula to ascertain the number of superiors' and subordinates' relationship.
Number of relationships = $n(2n/2) + (n-1)$
Where, "n" refers to the number of subordinates.