

DELEGATION, DECENTRALISATION AUTHORITY

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* Classical View:

↳ Hierarchical positions

* Human Relations View:

- Responsibilities cannot be delegated or transferred - responsible to Authority vs. Path

↳ delegation of responsibilities

↳ from superiors to subordinates

↳ indisputable right of superiors to command the subordinate

↳ it rests in the chain

↳ most well defined responsibilities

↳ prevail in formal organisations

* Delegation of authority:

According to Lewis, if the manager requires his subordinates to perform the work, he must give him certain powers & duties to get the work done.

Advantages:

↳ Relief manager with heavy work load.

↳ Leads to better decisions.

↳ Trains & develops subordinates.

↳ creates a formal organisational structure.

* Decentralisation of Authority:

According to Fayol everything that goes to increase the importance of the subordinates role is decentralisation.

- Distinction b/w delegation & decentralisation:

↳ timely followed process. a) end of the process.
↳ essential for mgmt. process. b) not essential.

MOTIVATION

* Process:

↳ Needs (analysing).

↳ Interpretation of goals / incentives

↳ goal directed behaviours

↳ accomplishment of goals & need reduction.

Any actualisation Needs

↳ External Needs

↳ Social Needs

↳ Safety / Security Needs

↳ Basic Physiological Needs

- self actuality.

- food, shelter, water

HIERARCHICAL MODEL

- according to Maslow, people attempt to satisfy physiological needs at first then the level increases gradually

* Herzberg Two factor theory:

According to him, the absence of certain job factors tends to make workers dissatisfied. However the presence of these same factors does not themselves produce high level of motivation. They only help avoid dissatisfaction and the problems it creates such as attention, turnover and grievance.

He called these factors maintenance or hygiene factors because they are needed to maintain reasonable level of satisfaction.

The 6 motivators / satisfiers are:

- i) opportunity to accomplish something significant.
- ii) recognition for significant accomplishments.
- iii) chance for advancement
- iv) opportunity to grow & develop on the job.
- v) chance for increased responsibility
- vi) the job itself.

* * McClendon through employee participation

McClendon needs for achievement Theory:

3 needs are:

- i) The need for affiliation (interacting socially with people)
- ii) " " power (exercising power)

iii)

" " achievement

(preference, working things done from others)

* Principles of Management are activities that plans, organises, and controls operations of the basic elements of material, human resources, methods and markets providing direction and coordination.

Management (Management).

- * The process of planning includes identification of organised / action objectives and selection of policies, procedures and methods designed to lead to attainment of these objectives. Essentially it is about attaining a goal and objective and also the means of accomplishing / fulfilling them.
- Steps to be followed to achieve goals:
- 1) Setting organisational goals & objectives
 - 2) Developing strategy
 - 3) Identifying, evaluating, selection of courses of action
 - 4) Implementing a plan & follow up action

* AFFECTORS ENVIRONMENTAL

- 1) Political Environment
- 2) Economical Environment
- 3) Social Environment
- 4) Technological Environment
- 5) Legal Environment
- 6) Ecological Environment
- 7) Geographic Environment

MO : Management by objectives
Policies
Procedures

* LEVEL of MGMT :

- 1) Top level
- 2) Medium level / middle level
- 3) Low level

* MANAGERIAL ROLES :

FORWARD and BACKWARD

LINKAGE

- a) Interpersonal Roles,
- b) Informational Roles,
- c) Decisional Roles

a) It indicates all those activities that are directed at subordinates to influence and motivate them.

b) Monitor roles is about collecting inside and outside information.

c) Resource allocator is controlling allocation of resources.

1) TOP LEVEL :

Top management consists of Chief Executive Officer (CEO), The vice-president is responsible for overall mgmt of the org. and directs its relation with the external environment. These managers need conceptual skills the most.

2) MIDDLE LEVEL :

Consists of all Managers below Vice-President but above all supervisors. They are responsible for attaining objectives that are

inline with top mgmt. and further translate them into plan for first line managers.

III) LOW LEVEL : (first line Managers).

Consists of Team leader, team facilitator, volunteer and they directs the actual work of the org. at the operating level.

* MANAGERIAL SKILLS :

- 1) Conceptual skills
- 2) Technical skills
- 3) Human skills

* PLANNING : what to do in future.

* ORGANISING : include Personal, Rules, Capital and Tools and Raw materials.

* DIRECTING : leading / motivating

- 1) Communication
- 2) Motivation
- 3) Leadership

* CONTROLLING : involves

- 1) Establishing standards of performance
- 2) Comparing actual performance with the standard standard.
- 3) Taking corrective actions to meet these standards (Meeting Targets).

• Father of Scientific Mgmt : F.W. Taylor

* INNOVATION AND REPRESENTATION :

* DEVELOPMENT OF MGMT. THOUGHT :

- Innovation : It means creating new ideas which may either result in the development of new products or finding new ways for the old one. (It is also a part of a Plan).
- Representation : Every function has 2 dimensions ; substantive and procedural. Substantive is what is being done and procedural is how it is done.

- 1) EARLY CLASSICAL : include scientific mgmt, administrative.
- 2) NEO CLASSICAL

• Scientific Mgmt :

F.W. Taylor (1856-1915) is considered as Father of scientific mgmt. He knew how piece work employees used to work back production because they had that employees would cut their piece rate as seen as there is a rise in production. Science not rule of thumb.

- Differential Payment : • Basic Reorganization of Augus Vision.
- Scientific Recruitment and Training • Intimate friendly cooperation between mgmt. and workers.

DRAWBACKS of Scientific Mgmt :

- 1) Taylor's belief that economic incentives are strong enough to motivate workers for increased production proved wrong.

- 1) Time and Motion Study is not accepted as entirely scientific.
- 2) Separation of Planning and doing.
- 3) Advances in Jobs and Methods provide employees to switch to other jobs.

• Administrative Mgmt:

Henry Fayol (1841-1925) is the father of Administrative Mgmt.

This period was considered as the Administrative mgmt. period.

- i) Division of work : Divide the work, benefit will be more and can be achieved as early as possible.

- ii) Authority and responsibility : expect supervision from superiors.

As the mgmt consists of getting the work done through others it implies that managers should have the right to give orders and pay to accept the discipline. A manager may exercise formal authority and also personal ~~power~~ power.

- iii) Discipline : Obedience from authority, completing the task on time following the rules and norms of performance. The best means of maintaining discipline are:

- good supervisors at all levels.
- clear & fair agreement b/w employees and the employer.
- judicious application of penalties.

- iv) Unity of command : This principle requires that each employee should receive instruction about a particular work from one superior only.

superior
↓
subordinates

- v) Unity of direction : Goal of department should be fulfilled for the goal of the organization will be fulfilled parallelly.

It means that there should be complete identity b/w individual and organizational goals on the one hand & departmental goals on the other. They should not pull in diff. directions.

- vi)

Subordination of individual interest to general interest : An individual is always interested in maximizing his own satisfaction through more money, recognition, status etc. This is way often against the general interest which lies in maximizing production.

- vii)

Remuneration of employees : Pay should be fair, the remuneration paid to the personnel of the firm should be fair. It should be based on general business conditions, cost of living, productivity of the concerned employees and capacity to pay.

- viii)

Centralization & decentralization : If subordinates are given more roles and influence in the mgmt of the firm, it is called decentralization. The objective to pursue should be optimum utilization of every personnel.

- ix)

Scalar Chain : It states superior & subordinate chain, and authorizing flow from superior to subordinates & responsibility. The orders or communication should pass through proper channels of authority on the basis of superior-subordinate relationship but in case there is need for swift

vision, the proper channels of authority may be about circled by making direct contact by going rank with the concerned authority.

2) Order: right place for everything & for every personnel.

3) Equity: there is need for scientific attention of competent personnel, correct assignment of duties & good organization.

4) Equality: means equality of fair treatment. Every person in the organization should be getting equal respect & salary. It requires managers to be free from all prejudices personal like and dislikes.

5) Stability of tenure of personnel: In order to motivate workers it is necessary that they should be given security of job by the mgmt. Very imp. principle of administrative management.

6) Initiative: workers should be encouraged to develop and carry out their plans for improvement. Freedom to think and execute a plan. According to Fayol, initiative is one of the imp. satisfactions for an intelligent man to experience.

7) Esprit de corps: Unity as strength. This means team spirit. When all the personnel pull together as a team, there is scope for realizing the objectives.

8) Discipline: Discipline is the basis of all management. It is the quality of doing what is expected of you. It is the quality of being obedient. It is the quality of being regular. It is the quality of being efficient. It is the quality of being loyal. It is the quality of being honest. It is the quality of being brave. It is the quality of being clean. It is the quality of being kind. It is the quality of being gentle. It is the quality of being patient. It is the quality of being forgiving. It is the quality of being merciful. It is the quality of being just. It is the quality of being fair. It is the quality of being reasonable. It is the quality of being sensible. It is the quality of being wise. It is the quality of being brave. It is the quality of being clean. It is the quality of being kind. It is the quality of being gentle. It is the quality of being patient. It is the quality of being forgiving. It is the quality of being merciful. It is the quality of being just. It is the quality of being fair. It is the quality of being reasonable. It is the quality of being sensible. It is the quality of being wise.

* Essential Features of Bureaucracy

Max Weber (Father of Bureaucracy)

- i) Task oriented (Leaders of themselves)
- ii) Traditional oriented (Rituals)
- iii) Universalistic (According to capability)
- iv) Impersonal (Not based on basis of administration. No person can claim a particular position either because of his loyalty to the leader or because the position has been held traditionally by the members of his family. People can position because they are presumed to be capable of filling them.)

* BEHAVIOURAL APPROACH

- i) Behavioural scientists attach great importance to increasing domination of work place.
- ii) Participative and group decision making. (With others)
- iii) Self direction and control. (Control on self to a directed way)
- iv) Participation (Every employee's participation at every step).
- v) Consideration (Consideration as group of individuals with certain goals).
- vi) These scientific made extensive study on leadership (in a Democratic way) and not Capitalistic way.
- vii) Realistic Model of human motivation is complex than (on its own not on the base of someone other)
- viii) Caught management. (own perspective displaying X involved understanding other persons perspective)

* CONTINGENCY APPROACH :

(uncertainty)

- Law of universal applicability is followed.
- McNamee stated this approach.
- There is no best way of doing things under all conditions.
- What is good for one can be bad for another.
- Managers have to develop a sort of situational sensitivity and practical astuteness.

* SYSTEM APPROACH :

- A system is a set of interdependent parts. 4 interdependent parts are :
 - TASK
 - PEOPLE
 - STRUCTURE
 - TECHNOLOGY

- Task tells main purpose
- structure: authority & responsibility
- People: employees motivation & attitude
- Technology: tools & equipments.
- Central to the system approach is a concept of **HOLISM** : Means that no part of org. can be actually analysed and understood apart from the whole system.

- A system can be either open or closed.
- Every system has a boundary.

PLANNING :

- Planning is the beginning of a business the foremost step of management.
- It is an intellectual process.
- Planning is a continuous process.
- Decision making is possible due to planning.
- Plans should be flexible according to the situations.
- Planning is pervasive.

Importance :

- Minimizes risks & uncertainty.
- Leads to success & conclusion of a problem.
- Focuses attention on the organizational goals.
- Facilitates control.
- Aids executives.

Types of Plans :

- Single Use Plans. - NON REPEATATIVE
- Standing Plans. - REPEATATIVE

Limitations :

- Expensive and time-consuming process.
- Planning is limited in changing situations.

Flexibility of Administration policy.
Wherever are places there are no flexibility of premium
no prioritising occurs premium

STRATEGIC PLANNING
Involves short range, immediate (analysis)
strengths, weakness, opportunity, threat

DECISION MAKING

Programmed decisions = only higher authorities
Unprogrammed decisions = All in the org.
are involved

Unstructured, Complex decisions

Type of decisions:

PROGRAMMED

NON PROGRAMMED

HARD DECISION

SOFT DECISIONS

- i) are the priority of the decision
- ii) depend on decision on other functional areas.
- iii) qualitative factors that enter the decision
- iv) resources

ROUTINE:

- STRATEGIC decisions like installation of machinery, expansion,
giving discount, lowering price of product

Individual and group decisions:
Simple and complex decisions:

Steps in Decision Making:

- i) Recognizing the problem (past experience analysis)
- ii) Define problem clearly among problems.
- iii) Diagnose the problem (analysis) exp information
- iv) Alternative solution development and choosing among them.
- v) Monitoring and comparing consequences of alternative solutions

Problems for limitation found by decision makers:

- i) Incomplete information
- ii) Unsupporting environment
- iii) Non-acceptance by superordinates
- iv) Ineffective communication.
- v) Inconsistent timing.

ORGANISING * *

* Characteristics of organising:

- i) Tasks of goals to be achieved
- ii) Major duties required to achieve the objective
- iii) Classification of activities in jobs
- iv) Establishment of relations b/w the jobs

* Typology of Organising:

- i) Organisation which benefit their owner.
- ii) " which benefit their members.
(unions, cooperative, club members)
- iii) " which benefit their clients.
(school, universities, insurance based companies).
- iv) " which benefit the whole societies.
(governmental organisation, NPO's)

* Process of Organising:

- i) Consideration of objectives
- ii) Grouping of activities into departments
- iii) Deciding which departments are the key departments
- iv) Determining levels at which various types of decisions are to be made.
- v) Determining span of management.
- vi) Setting up a coordination mechanism.

* Peter Drucker developed the process of organising:

* Principles of Organising:

E.F.L. Buech

- i) * Objectives of organising = well defined,
- ii) specialisation: dividing work according to specialisation
- iii) span of control: should be minimum and max. is 5.
- iv) Exception: top level should be excluded from the minimal decision.
- v) scalar principle (chain of command):
- vi) unity of command: only one superior.
- vii) delegation: authority transferred to subordinates.
- viii) responsibility: due to authority.
- ix) authority: provided by superiors.
- x) simplicity:
- xi) Balance: in departments in every aspect.
- xii) Exceptionality: / Acceptability.

DEPARTMENTALISATION

* *

* The horizontal differentiation of task or activities into discrete segments.

* The aim is to take advantage of the division of labour and specialisation upto a certain limit.

* There are several basis for departmentalisation:

- i) Functions: best widely used base for departmentalisation.
Each major function is divided / grouped in departments.

- Advantages of functions:

- a) helpful for small org. manufacturing limited products or render limited no. of services.
- b) leads to improved planning and control.
- c) only one department related to one function makes the process easier.

- Disadvantages of functions:

- a) difficult for anyone to understand the task of the whole and to relate his own work to it.
- b) does not offer good training for overall development of the manager.
- c) procedures are easily complicated, wasteful and time-consuming.
- d) difficult to judge whether activities of particular departments are worth their cost.

ii) Products: for large org. manufacturing a wide product range.

Product departmentalisation is the logical pattern to follow when each product requires very materials manufacturing tech. marketing - methods that are diff. from those used by other products in the organisation.

Ex: Caring dairy milk, milk etc.

Advantages:

- i) Reliefs top mgmt. of operating tasks responsibility.
- ii) Natural team work develops.

iii) Better opportunity for improving the performance.

Disadvantages:

- i) results in duplication of staff & facilities
- ii) Extra expenditure is incurred resulting in extra expenses on waste force.
- iii) Employment of large no. of managerial personnel is wasteful.

Customers: An enterprise may be divided in no. of departs on the basis of customers that it serves. ex: an electronics firm have separate department for military, industrial, and ~~the~~ consumers.

Advantage:

- i) ensure full attention to major customer groups which have very diff. set of criteria governing their decision to purchase
- Disadvantage:
- i) Result in waste utilization of resources and facilities in some departments.
 - ii) There may be duplication of facilities.