

ORGANISING

Organising refers to a process consisting of a series of steps to identify and group various activities, collect or assemble various resources and establish authority relationships with responsibility amongst job positions. It can be mentioned as collecting and utilizing human and non-human resources to implement plans in a highly effective and efficient manner. It is to achieve the overall plan of the organisation. In other words, it refers to the process of arranging people to work together and accomplish a common goal. It is a process of identifying activities to be performed, grouping these activities into work units, assembling tasks for the various job positions, defining rules, and establishing the authority, responsibility, and relationship amongst them.

Definition of Organising

- "Organising is a process of defining and grouping the activities of the enterprise and establishing the authority relationships among them. In performing the organising function, the manager defines, departmentalizes, and assigns activities so that they can be most effectively executed." -**Theo Haimann**
- "Organizing is a function by which the concern is able to define the role positions, the jobs related and the coordination between authority and responsibility." - **Chester I. Barnard**
- "Organizing is the process of defining and grouping the activities of the enterprise and establishing the authority relationships among them." - **Luther Gulick**

Importance of Organising

Following are the importance of organising:

1. Benefits of Specialization:

In an organisation, work is divided into units and departments. This division of work leads to specialization in various activities of the concern. The entire philosophy of the organisation is based on the concept of division of work into compact jobs. This leads to systematic allocation of jobs amongst staff, which enhances productivity and reduces the workload. Division of work refers to assigning responsibility for each organisational component to a

specific individual or group. This, in turn leads to specialization, efficiency and speed in job performance.

2. Clarity in a Working Relationship:

After identification of a job, organising also clarifies the authority and responsibility of individuals of [different departments](#). It is a means of creating [coordination](#) among different departments of enterprises. It aims at creating clear-cut responsibility, and authority relationships amongst different levels and ensuring cooperation amongst individuals and groups. Harmony of work is brought by the high level of management. Every employee knows his superior from whom he has to take the order, and to whom he has to report. This working relationship helps in fixing responsibility and helps to avoid confusion.

3. Optimum Utilization of Resources:

Organising ensures the optimum utilization of human and material resources. In organising, work is assigned as per skill and knowledge. The clarity in the job in advance of what the employees are supposed to do avoids confusion and motivates employees to put in their best.

4. Adaption to Change:

The process of organising allows an organisation to accommodate changes in a [business environment](#). So the [organisation structure](#) is suitably modified and the revision of the job position and relationships plan the way for smooth transactions. Thus, organising provide flexibility and stability to an organisation. It helps an organisation to survive and grow, despite people leaving and joining. It also helps to adapt to changes in technology, new methods of work, etc.

5. Effective Administration:

Organising provides a clear description of the jobs and working relationships. It helps in effective administration by avoiding confusion and duplication of work. Organising also reduces the workload of the top management by [delegating](#) authority. As a result, top management is relieved from routine work and can concentrate on the administration of the [company](#).

6. Development of Personnel:

In the process of organising, a managerial person is trained to acquire a wide experience in diverse activities through delegation of authority. Delegation

allows manager to reduce their work by assigning future jobs to subordinates. It also gives time to concentrate on important work. The delegation also develops a sense of responsibility in the subordinates and motivates them to do more challenging work.

7. Expansion and Growth:

An organisation's growth is totally dependent on how efficiently and smoothly it works. The organising process creates a favorable condition for expansion and diversification of enterprise by enabling it to deviate from existing norms and take up a new challenge. Organising allows a business enterprise to access more job positions and departments, and even diversifies its product lines. It helps in the expansion and growth of the business.

Steps in the Organising Process

The steps involved in the process of organising are as follows:

1. Identification and Division of Work:

The function of organising starts with the identification of the total work which is to be done to achieve the organisational goal. The work is divided systematically so that each person gets a separate task to perform. This helps to avoid unnecessary duplication and wastage of efforts and facilitates the specialization of efforts and skills.

2. Departmentalisation:

Once the identification and division of work are done. The next step is to combine group-related activities into units and departments. This process of grouping similar and related activities into groups of large independent units or departments is known as departmentalisation. The grouping may be done on the basis of function, product, customer, etc.

3. Assignment of Duty:

After grouping various activities into departments, the next step is necessary to allocate the work of different employees. Duty should be assigned based on the knowledge, qualification, experience, and capability of the individual. There should be a proper match between job requirements and the capabilities of employees.

4. Establishing Reporting Relationship:

After assigning duty, the next step is to clearly define the authority and responsibility of the employees. If two or more person is working together for a common goal, then it is necessary to define the relationship between them in clear terms. There is a need to create a hierarchical structure and help in coordination among various departments.

Centralization and Decentralization

According to Henri Fayol," Everything which goes to increase the importance of a subordinate's role is decentralization, everything that goes to reduce it is centralization".

Centralization refers to the concentration of authority at the top level of the organisation. It is the systematic and consistent reservation of authority at the central points within an organisation. In a centralized organisation, managers at the lower level have a limited role in decision-making. They just have to execute the orders and decisions of the top level.

Decentralization means the dispersal of authority throughout the organisation. It refers to a systematic effort to delegate to the lowest levels all authority except which can be exercised at central points. It is the distribution of authority throughout the organisation. In a decentralized organisation, the authority of major decisions is vested with the top management and balance authority is delegated to the middle and lower levels.

Difference between Centralization and Decentralization:

Basis	Centralization	Decentralization
Meaning	The concentration of authority at the top level is known as Centralization.	The evenly and systematic distribution of authority at all levels is known as Decentralization.

Basis	Centralization	Decentralization
Delegation of authority	There is no delegation of authority as all the authority for taking decisions is vested in the hands of top-level management.	There is a systematic delegation of authority at all levels.
Suitability	It is suitable for small organisations.	It is suitable for large organisations.
Freedom of decision making	There is no freedom of decision-making at the middle and lower level.	There is freedom of decision-making at all levels of management.
Flow of Information	There is a vertical flow of information.	There is an open and free flow of information.
Employee Motivation	Employees are demotivated as compared to decentralization.	Employees are motivated as compared to centralization.
Conflict in Decision	There are least chances of any conflict in decision as only top-level management is involved.	There are chances of conflict in decision as many people are involved.
Burden	The burden of work is not shared and only one group carries the burden.	The burden of work is shared amongst all levels.

There cannot be complete centralization or decentralization in a practical world. Absolute centralization means each and every decision is taken by the top-level management, which is not possible. Similarly, absolute decentralization implies no control over the activities of subordinates, which is also not possible. So a balance should be maintained between centralization and decentralization. A proper balance between dispersal of authority among lower levels and adequate control over them should exist.

DELEGATION

Delegation is the process of assigning authority, responsibility, and tasks to individuals or teams within an organization. It involves transferring decision-making authority from managers to their subordinates, empowering them to make decisions and take action within their assigned roles. By delegating tasks, managers can focus on higher-level responsibilities and strategic decision-making while their subordinates handle operational or specialized tasks.

Delegation includes elements, such as authority, responsibility, accountability, and effective communication. It brings several benefits, including increased productivity, skill development, empowerment, improved decision-making, and succession planning. Effective delegation requires considering factors, like employee competence, workload capacity, and task complexity, along with providing adequate support and feedback for successful task completion.

Process of Delegation

The process of delegation involves the following steps:

1. Determination of Results Expected: Managers begin by clearly defining the desired outcomes and objectives that need to be achieved through delegation. This step involves setting specific and measurable targets aligned with the organization's goals. It provides a clear focus for the delegation process and ensures everyone understands the expected results.

2. Assignment of Duties: Once the results are determined, managers identify specific tasks and responsibilities to be delegated. It is important to match the duties with the skills, capabilities, and interests of the individuals or teams involved. Clear instructions and guidelines should be provided to ensure a shared understanding of the assigned duties and expectations.

3. Granting of Authority: Delegation goes beyond task assignment; it also involves granting the necessary authority to carry out the assigned tasks effectively. This includes decision-making power, access to resources, and the ability to take necessary actions within defined limits. Granting authority

empowers individuals or teams to make decisions and exercise discretion in fulfilling their responsibilities.

4. Creating Accountability for Performance: To ensure accountability, managers establish clear lines of responsibility and hold individuals or teams accountable for the proper performance of their delegated duties. This includes setting performance standards and metrics, regularly monitoring progress, providing feedback and guidance, and evaluating outcomes. Accountability fosters a sense of ownership and motivates individuals to perform at their best.

Obstacles to Delegation

While delegation is crucial for organizational efficiency, several obstacles can hinder its effectiveness. These obstacles can be categorized into three groups:

- Superior
- Subordinate
- Organization

Obstacles on the part of the Delegator

The obstacles to delegation on the part of the delegator (manager) can be summarized as follows:

1. **Desire for Authority:** Some managers may have a strong inclination towards maintaining authority and control. They may exhibit autocratic tendencies and prefer to have full control over decision-making processes, limiting the empowerment of their subordinates.
2. **Perceived Indispensability:** Certain managers may believe that they possess unique skills and expertise, making them feel irreplaceable in handling certain tasks. Consequently, they may hesitate to delegate authority, fearing that others won't be able to perform as well as they can or provide fresh perspectives.
3. **Incompetence and Fear of Exposure:** Managers who lack competence in certain areas may be hesitant to delegate authority. They may have flawed work methods and procedures and fear that delegating tasks could expose their limitations or result in negative feedback.

4. **Risk Aversion:** Some managers may be risk-averse and reluctant to delegate authority due to concerns about potential mistakes or wrong decisions made by their subordinates. They may prefer to take all decisions themselves, avoiding any perceived risks associated with delegation.
5. **Lack of Confidence in Subordinates:** Managers may have reservations about the capabilities and reliability of their subordinates, which can hinder effective delegation. Doubts about subordinates' skills and trustworthiness may lead to hesitancy in assigning them significant responsibilities.
6. **Inadequate Direction and Guidance:** Managers who struggle to provide clear directions and guidance to their subordinates may find it challenging to delegate authority effectively. This could indicate a lack of understanding of the principles and best practices of delegation.
7. **Insufficient Controls and Monitoring:** Effective delegation requires appropriate controls and monitoring mechanisms to ensure that delegated authority is being used appropriately. Managers may be hesitant to delegate authority if they lack the means to monitor and evaluate the proper use of authority by their subordinates.

Obstacles on the part of the Delegatee

Sometimes, subordinates may hesitate to accept delegated authority for various reasons. These are some common factors that contribute to this reluctance and find ways to address them:

1. **Lack of Self-Confidence:** Subordinates may doubt their abilities and feel unsure about taking on delegated tasks. They worry about making mistakes or not performing well enough. It's important to provide support and encouragement to boost their confidence and help them realize their potential.
2. **Dependency on the Boss:** Some subordinates prefer to rely on their boss for decision-making. They feel more comfortable being guided and spoon-fed by their superiors instead of taking independent action. To encourage delegation, it's crucial to promote autonomy and empower subordinates to make their own decisions.

3. **Fear of Criticism:** Subordinates may be afraid of facing criticism or negative feedback from their boss. This fear can hold them back from accepting delegated authority. Creating a safe and supportive environment where mistakes are seen as opportunities for growth can help alleviate their concerns.
4. **Heavy Workload:** When subordinates are already overwhelmed with their current workload, they may be hesitant to take on additional responsibilities through delegation. It's essential to ensure a fair distribution of tasks and provide adequate support to prevent burnout and promote a healthy work-life balance.
5. **Lack of Support and Resources:** Subordinates may feel reluctant to accept delegation if they don't have the necessary support, resources, or tools to fulfil their responsibilities effectively. It's important to provide them with the required [training](#), guidance, and access to resources to set them up for success.
6. **Lack of Incentives:** Subordinates may be more motivated to accept delegation if they see tangible incentives or rewards associated with it. Recognizing and appreciating their efforts, providing opportunities for growth and advancement, and creating a culture that values and acknowledges their contributions can encourage their active participation.

Obstacles on the part of the Organization

Sometimes, a delegation of authority can face obstacles due to weaknesses in the organizational structure. Some of these weaknesses in a simpler way:

1. **Inadequate Planning:** When there is not enough careful planning, it becomes hard to figure out who should have the authority to delegate tasks. Unclear goals and strategies can make delegation difficult.
2. **Confusing Authority:** If authority is split among different people or departments and not clearly defined, it can cause confusion and conflicts. When everyone has their say, it's hard to delegate effectively.
3. **Lack of Clear Command:** When subordinates receive instructions from multiple superiors without a clear chain of command, it can lead to

confusion. They may struggle to know who to listen to and have trouble making decisions.

4. **Poor Control Techniques:** Without proper ways to control and monitor delegated tasks, it's tough to know if things are going well. This can lead to a lack of accountability and make delegation less effective.
5. **Not Enough Competent Managers:** When there's a shortage of skilled managers or supervisors, it becomes challenging to delegate authority effectively. Competent managers are important for guiding and supporting subordinates.
6. **Unclear Authority Relationships:** If it's not clear who has the authority in the organization, it can create confusion. Subordinates may not know who to report to or ask for help, which can slow down delegation.
7. **Lack of Trust:** When there's a lack of trust among people or departments in the organization, it can make delegation harder. Subordinates may be hesitant to accept delegated authority if there's a sense of distrust or lack of teamwork.