

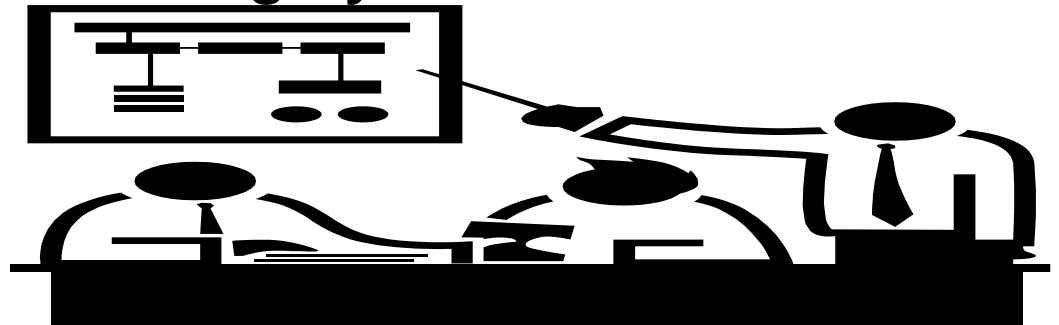
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|-----------------------|--------------------------------|
| CENTRE                | : DDU KAUSHAL KENDRA           |
| NAME OF THE PROGRAMME | : B.VOC(AUTOMOBILE TECHNOLOGY) |
| PROGRAM CODE          | : 3UABVOC(AT)                  |
| COURSE CODE           | : AT17201                      |
| COURSE NAME           | : PRINCIPLES OF MANAGEMENT     |
| SEMESTER              | : II                           |
| FACULTY NAME          | : MR.RAJKUMAR                  |
| DESIGNATION           | : ASSISTANT PROFESSOR          |
| TOPIC                 | : ORGANIZING                   |

# Organizing

- The process of arranging people and other resources to work together to accomplish a goal.

or

- Organizing can be viewed as the activities to collect and arrange resources in order to implement plans in a highly effective and efficient fashion



# Organizing

## **Organizing—**

to create structures

- Divide up the work
- Arrange resources
- Coordinate activities

## **Planning—**

to set the direction

## **Controlling—**

to ensure results

## **Leading—**

to inspire effort

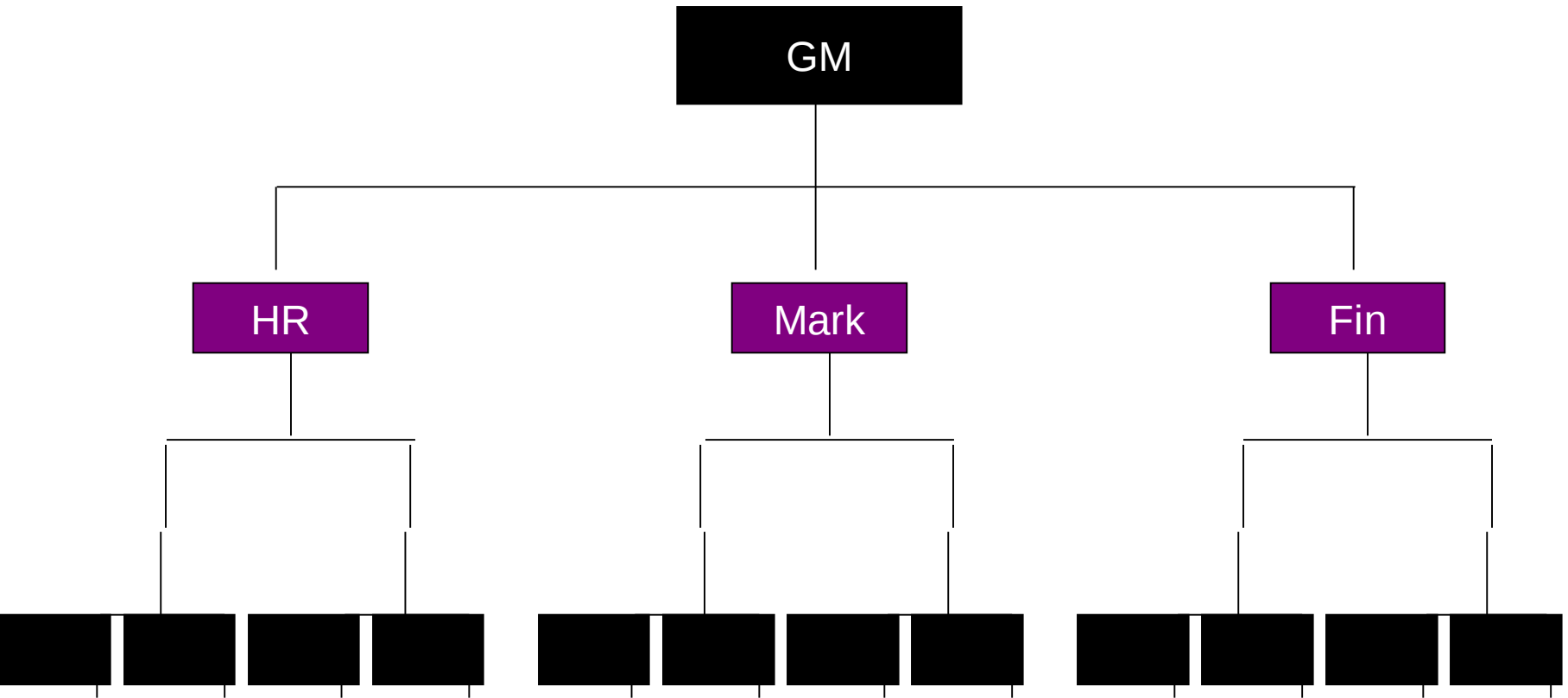
# Definition of organizing

By organizing we mean the intentional structure of roles or positions.

## **In this sense organizing is made of.....**

- Assignment of tasks and responsibilities, defining jobs of individuals..
- The grouping of activities into units and units into departments.
- The assignment of each group to a manager.
- The provision for coordination.

# ORGANIZATION STRUCTURE



# Contents

- **Fundamentals of organizing**
- **The concept of organizing**
- **Process of organizing**
- **Span of control**
- **Departmentation**
- **Organization culture**

# Fundamentals of organizing

## Pattern of authority:

- Enables each employee to know exactly for whom and to whom he or she is responsible.
  - **Decentralization**
    - An organization member has the right to make a decision without obtaining approval from a higher-level manager.
  - **Centralization**
    - The retention of decision-making authority by a high-level manager

# Fundamentals of organizing

## Organization Chart

- A chart that shows the structure of the organization including the title of each manager's position and, by means of connecting lines, who is accountable to whom and who has authority for each area.

## Business Process Re-engineering (BPR)

- Measures for improving such activities as product development, customer service, and service delivery.

# Fundamentals of organizing

## Chain of Command

- The path that a directive or answer or request should take through each level of an organization; also called a scalar chain or the line of authority.

## Authority

- The right to take action, to make decisions, and to direct the work of others.

## Responsibility

- is an employee's duty to perform the assigned task.

## Accountability

- is the manager's expectation that the employee will accept credit or blame for his work.

# Fundamentals of organizing

- Line Manager

All positions in the organization directly concerned with goods and services .

Typically found in areas such as:

- production
- Sales
- Finance
- Marketing

- Staff Manager

- Generally can only assist and advise line managers in specialized areas such as

**Administration, HR department**

- 
- What is the difference between line positions and staff positions?

### Line Positions

- Directly involved in the processes used to create goods and services
- Typically found in areas such as
  - Production
  - Marketing
  - Finance
  - Sales

### Staff Positions

- Provide the administrative and support services that line employees need to achieve the firm's goals
- Found in areas such as
  - Legal counseling
  - Managerial consulting
  - Human resource management

# Fundamentals of organizing

- **Delegation** is the process of giving authority to a person to make decisions and act in certain situations.
- **Process of delegation**
  - Determine expected results(targets)
  - Assign tasks
  - Delegate authority
  - Holding the person responsible for completing the task.

## Functional Authority

- Narrowly limited power to issue orders down the chain of command in a specific functional area such as personnel testing.

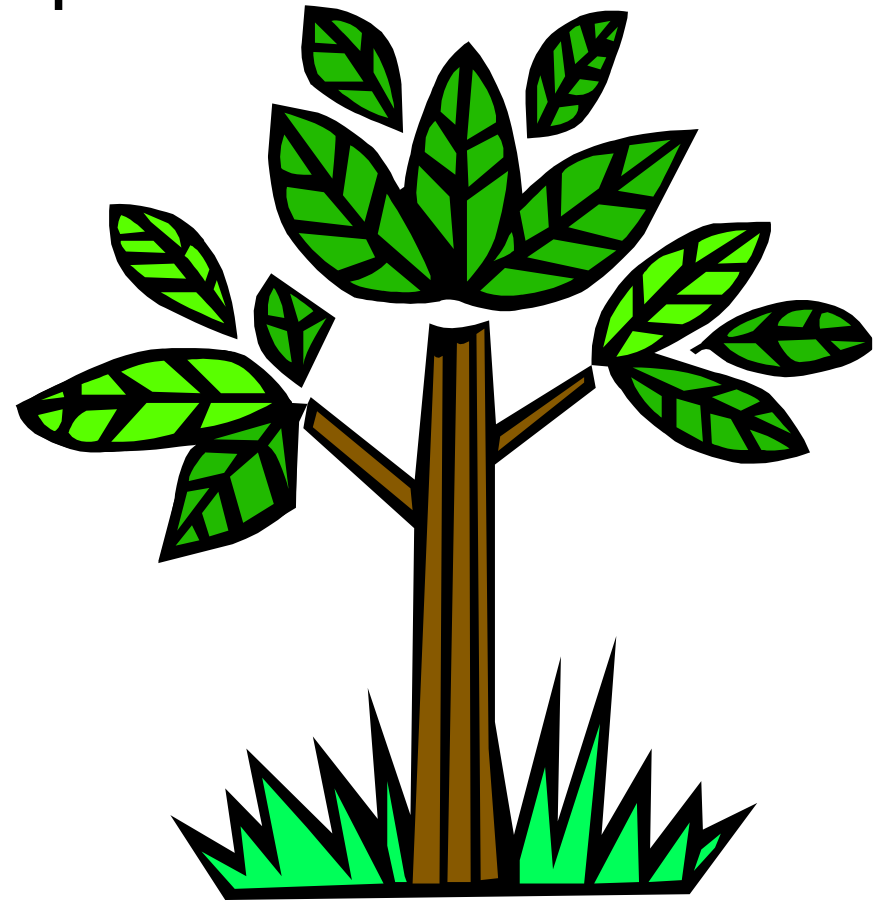
# **The process of organizing**

## **The organizing process is made of these steps...**

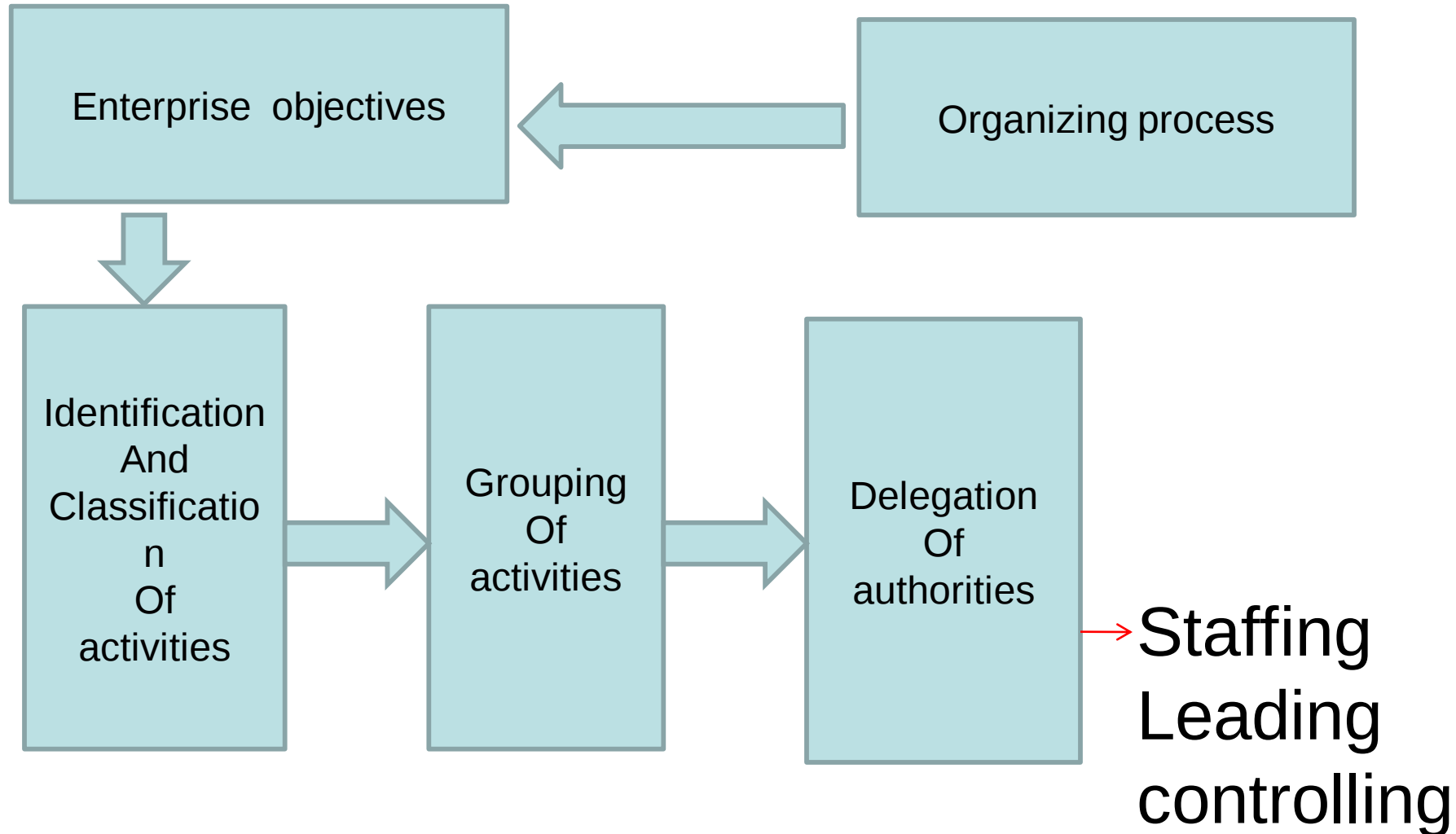
- Identifying the enterprise objectives
- Identifying and classifying the activities necessary to accomplish these objectives.
- Grouping these activities in light of the human and material resources available.

# The process of organizing

- Delegating to the head of each group the authority necessary to perform these activities.



# organizing process

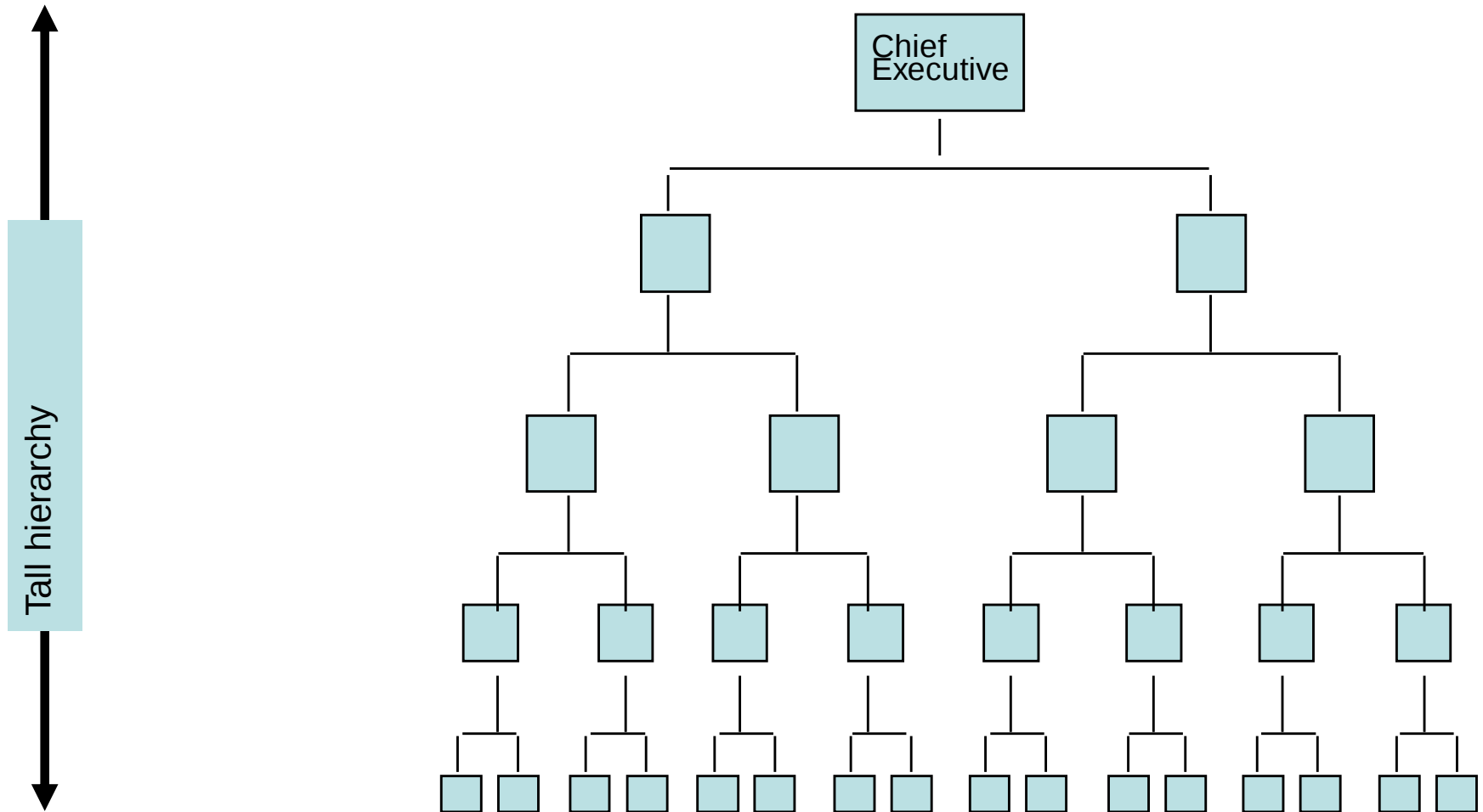


# Span of control

The **number of people** who report to one manager or supervisor.

- Wide Span of Control
  - **Flat organization** – large number of employees reporting to one supervisor
- Narrow Span of Control
  - **Tall organization** – a small number of employees report to a supervisor, necessitating a larger number of supervisors

# Narrow span



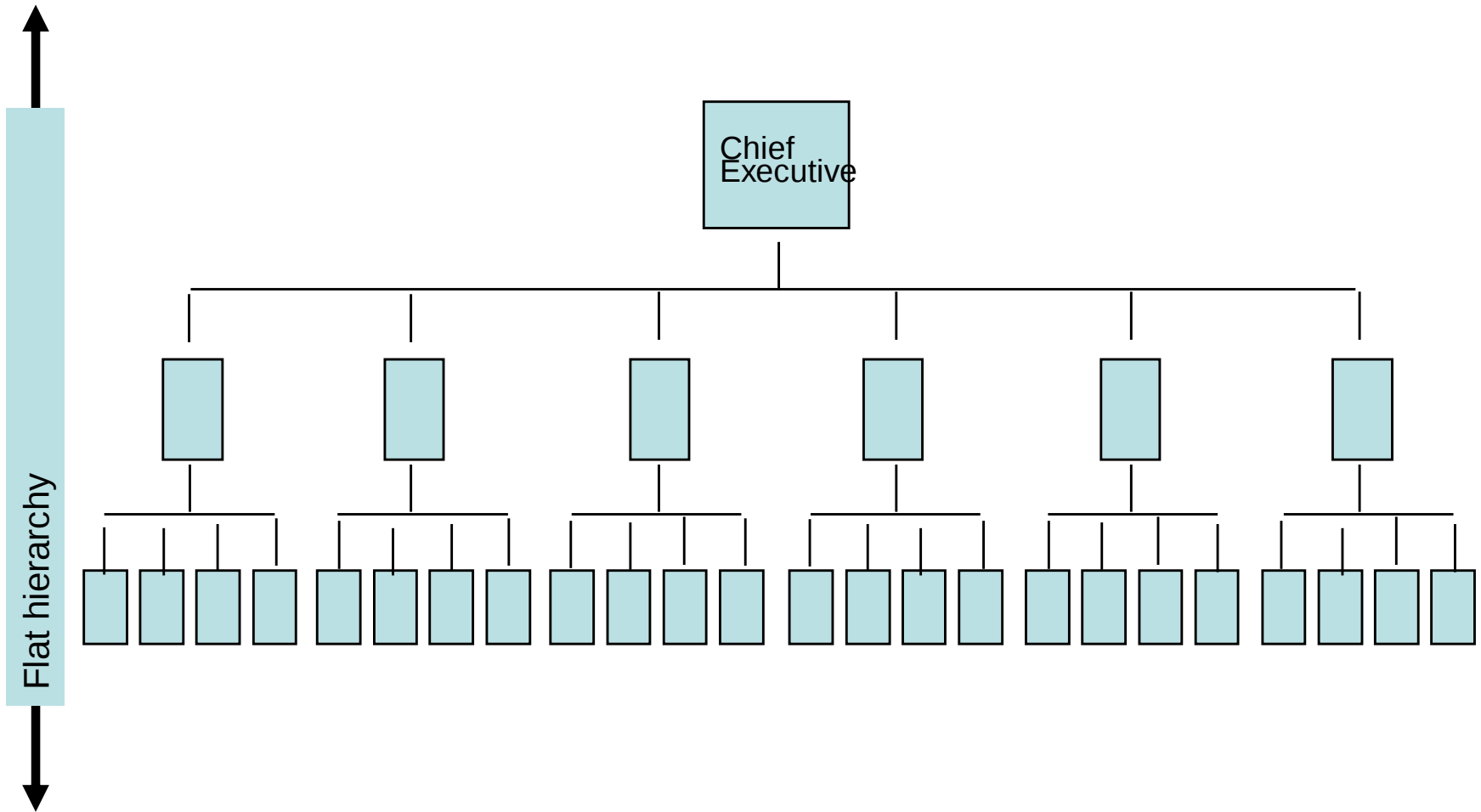
# Span of control

## **Organization with narrow span:**

**we have...**

- **close control**
- **Superiors tend to get too involved in subordinates work.**
- **Many levels of management**
- **Excessive distance between lowest and top level.**

# Wide span



# Span of control

## **Organization with wide span:**

**We have:**

- **More load on superior level of management,**
- **Not many levels of management**
- **Danger of superiors loss of control**
- **Requires exceptional qualities of managers.**

# Factors influencing span of control

- **Considerable available assistance:** Managers can supervise more people when they have considerable additional help, such as assistant.
- **High competency level:** High job related skills and abilities of manager and subordinates make it possible for manager to manage more subordinates,
- **Work similarity:** when subordinates do similar work, it becomes easy for a supervisor to give adequate supervision.
- **Low problem frequency:** When serious problems are infrequent, there is less need for management attention.
- **Few non supervisory duties of managers:** Managers can handle more subordinates when they have few non supervisory duties to perform.

# Departmentation

--The process through which an organization's activities are grouped together and assigned to managers; the organization wide division of work.

**Example:** business activities can be divided into different functions like

1= manufacturing department

2= sales department

3= purchasing department

4= accounts department

4=human resource department

# Departmentation

**Functional office**=There is an office for each department known as functional office. Like sales department office

**General office**= Functional offices are controlled and coordinated by the main office. Like head office

# Departmentalization Methods

## Functional Departmentalization

- Grouped by skills & work

## Product Departmentalization

- Grouped by products

## Process Departmentalization

- Grouped by equipments

## Customer Departmentalization

- Grouped by customers

# Functional departmentation

**This is the most formal division of business activities, bases on the different functions it performs.**

**or**

**Grouping individuals into units, and units into departments like**

A=Production department

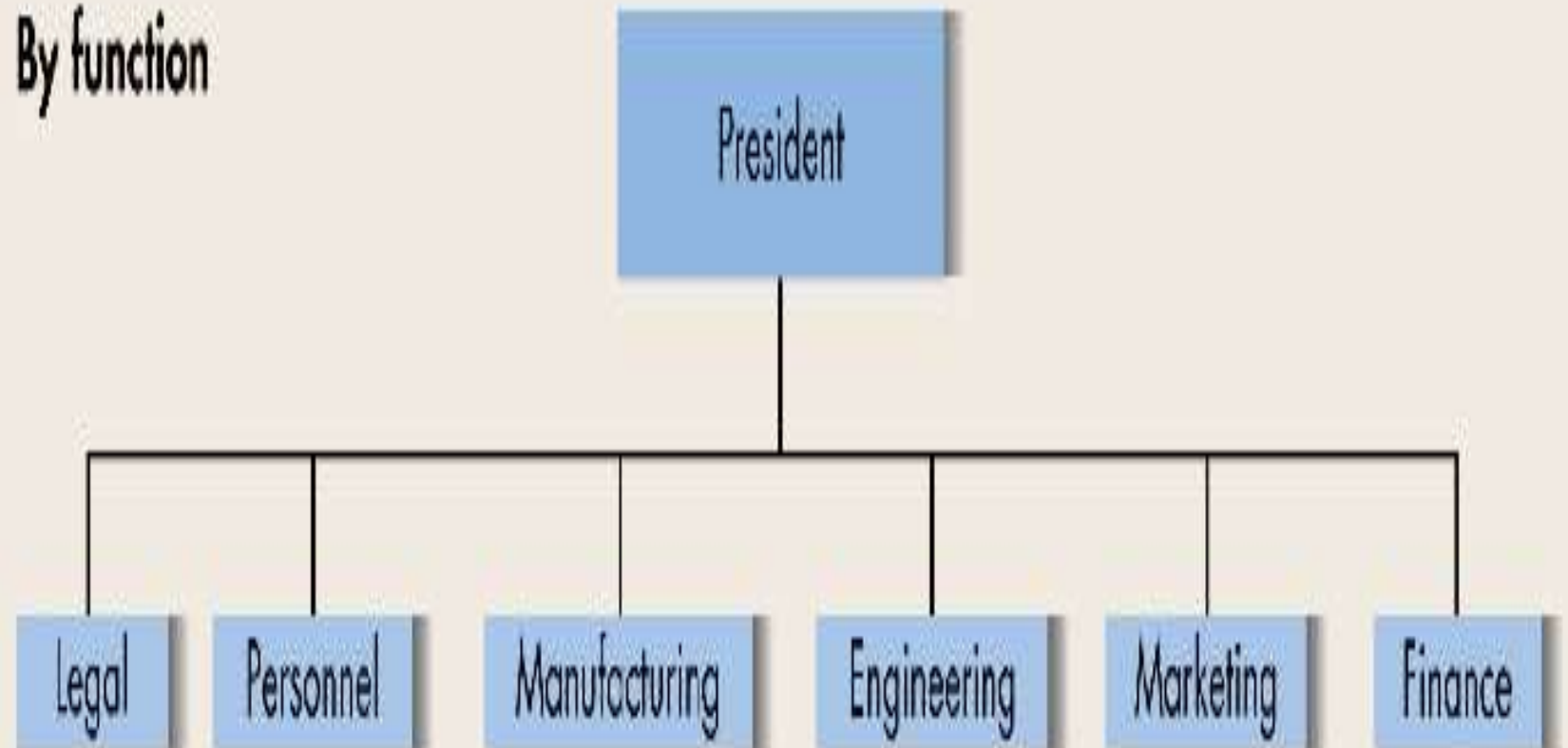
B=Purchase department

C=Marketing department

D=Accounts department

# Functional departmentation

By function



# Customer departmentation

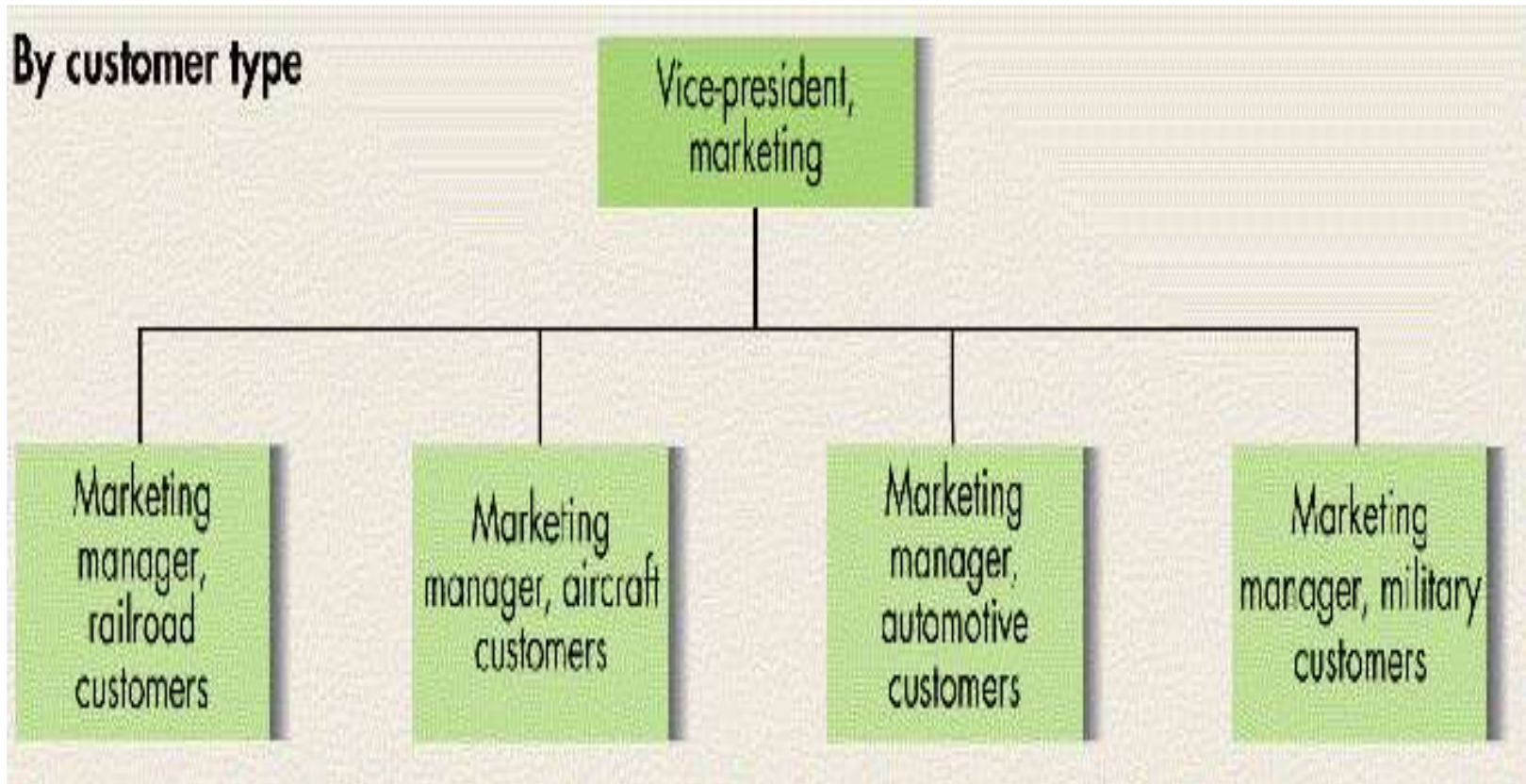
**Under this bases of departmentation, activities are grouped according to the types of customer.**

## **Example:**

**A large readymade store may have separate departments**

- ❖ Women
- ❖ Men
- ❖ Children

# Customer departmentation



# Product or service departmentalization

When a firm produces a large number of products then internal organization can be divided on the bases of different products it produces.

Example:

- ❖ paints deptt
- ❖ chemicals deptt
- ❖ plastics deptt
- ❖ fertilizers deptt

# Product or service departmentation

By product or service offered

Administrator and CEO

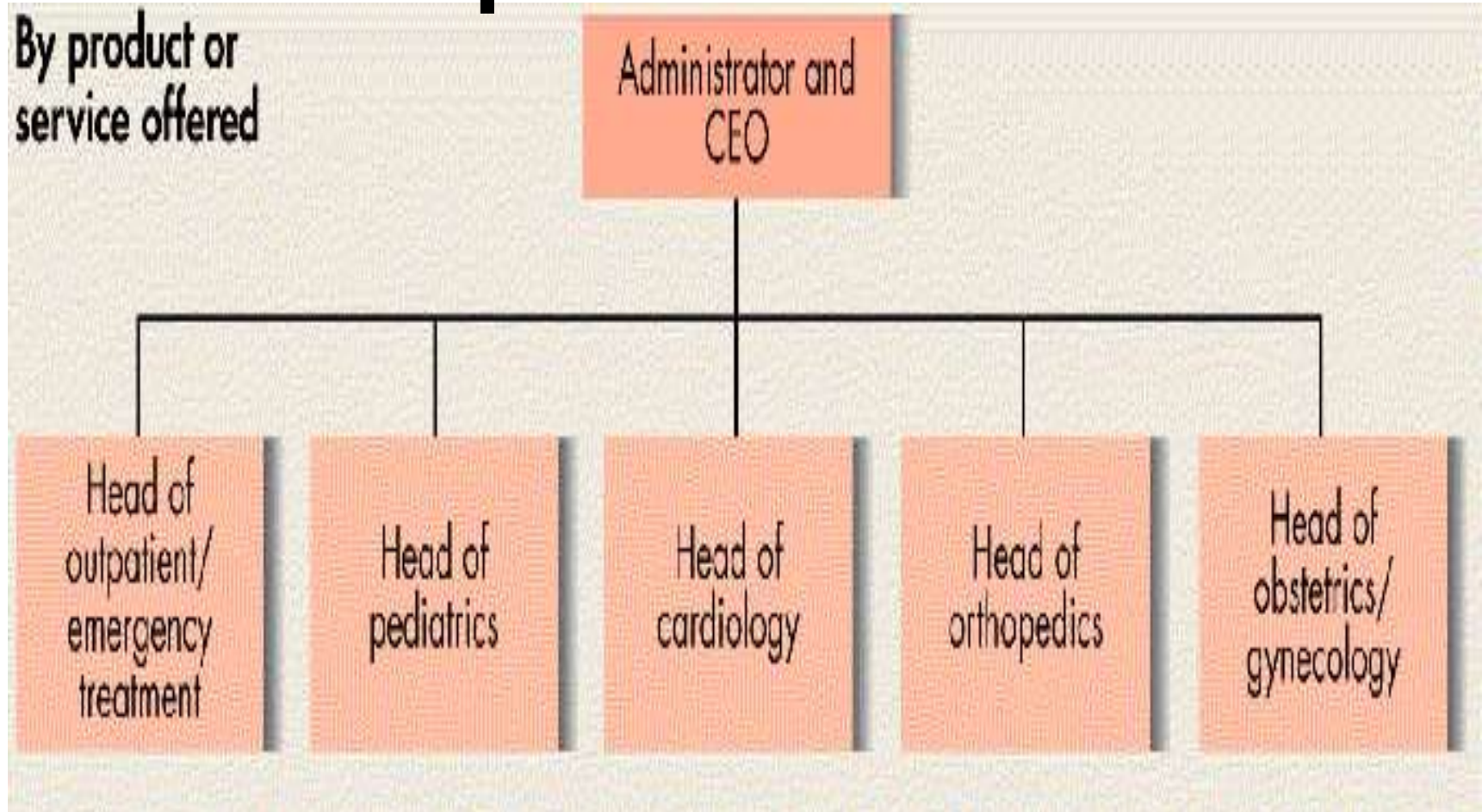
Head of outpatient/emergency treatment

Head of pediatrics

Head of cardiology

Head of orthopedics

Head of obstetrics/gynecology



# Process departmentation

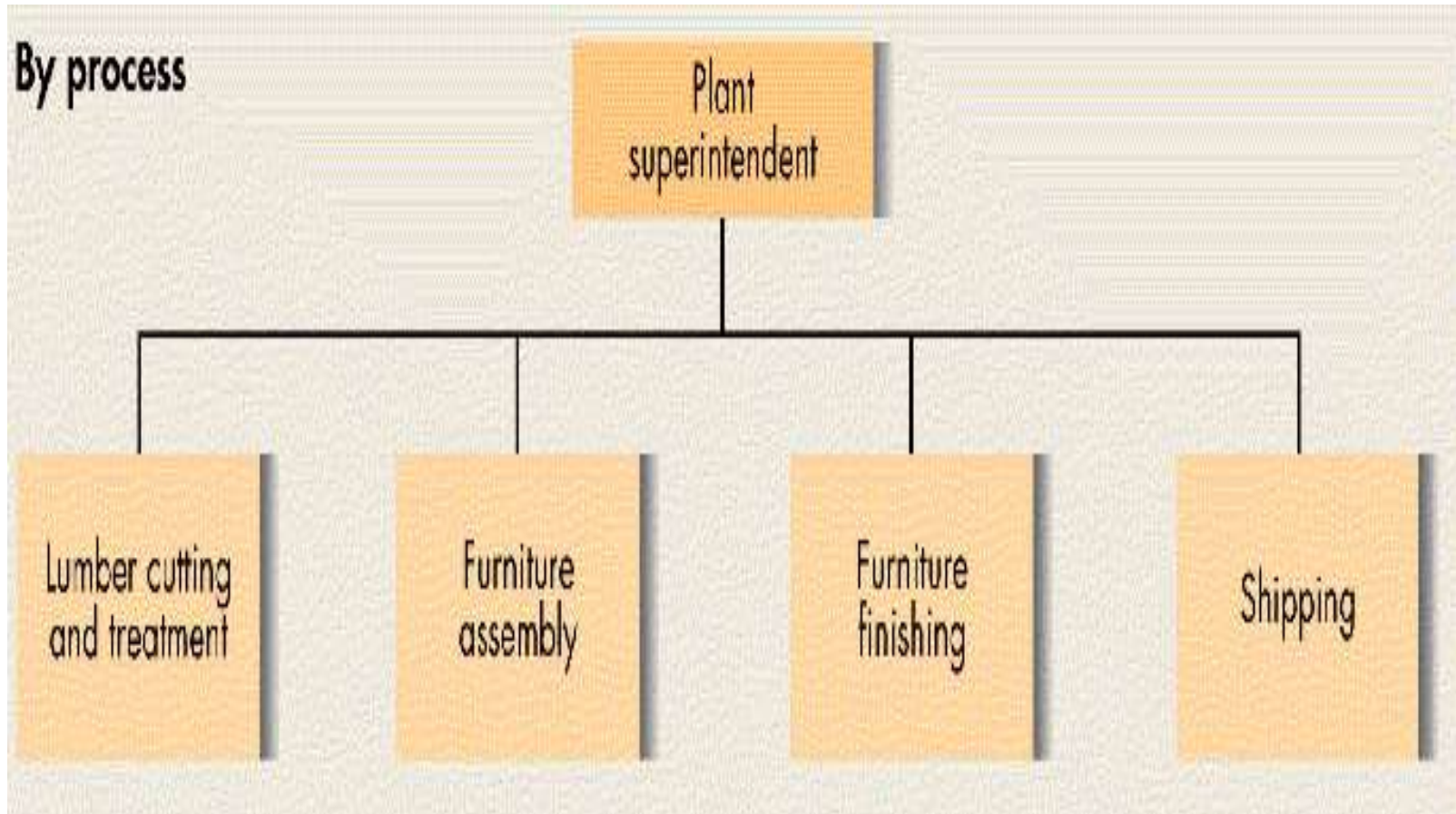
The activities of a department may be divided into sub activities.

## **Example:**

the production department of a textile mill may be divided on the basis of processes like

- ❖ Designing deptt
- ❖ Spinning deptt
- ❖ Weaving deptt

# Process departmentation



THANK YOU