

□ CENTRE : DDU KAUSHAL KENDRA

NAME OF THE

PROGRAMME : B.VOC (TROUBLESHOOTING AND
MAINTENANCE OF ELECTRICAL
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COURSE NAME : PRINCIPLES OF MANAGEMENT

SEMESTER : II

FACULTY NAME : DR. PRAKASH SVA

DESIGNATION : GUEST FACULTY

TOPIC : ORGANIZING

Organizing

A FUNCTION OF MANAGEMENT

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- ❑ The word 'organise' means placement of ideas, objects or people in a correct order so that they are easily available whenever required.
 - ❑ In management, it represents all those activities that result in the formal assignment of tasks, authority & responsibility to groups and individuals.
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Organizing

- ❑ **It involves:**

- ❑ Classification of work
 - ❑ Designing of different work units
 - ❑ Assigning different tasks.
 - ❑ Establishing co-ordination and relationship amongst the different units and positions.
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Organizing Process

- ❑ Step I: Review of Strategic and Operational Plans
 - ❑ Step II: Determination of the activities to be performed to implement the Plans
 - ❑ Step III: Creation of a job
 - ❑ Step IV: Departmentation
 - ❑ Step V: Organization Structure
 - ❑ Step VI: Determination of Authority
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Organization

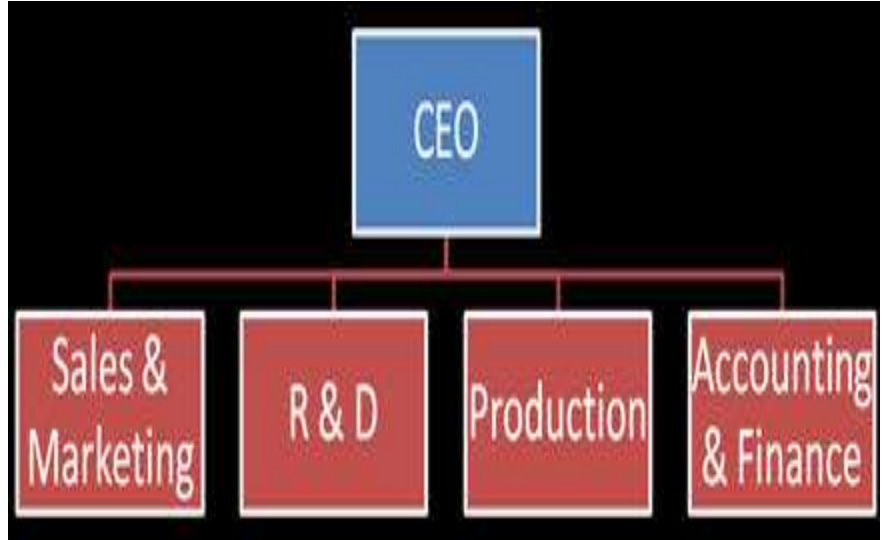
- ❑ Organization involves two or more people with ideas and resources, working together in a structured, formal environment to achieve common goals.
 - ❑ It is a social and managerial system with a clearly defined boundary, which pursues collective goals through planning, hiring the human resources, directing their effort and controlling the performance.
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Basic Organizational Designs:

- ❑ Functional Organization
 - ❑ Divisional Organization
 - ❑ Matrix Organization
 - ❑ Strategic business Unit. (SBU)
 - ❑ Virtual Organization
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Functional Organization

- ❑ This structure is based on occupational specialisation.
- ❑ Finance, manufacturing, marketing, accounts, research etc.
- ❑ It leads to efficiency and economy.



Divisional Organization

- ❑ In this design, the corporate house or group is divided into different divisions.
- ❑ These divisions are relatively autonomous.

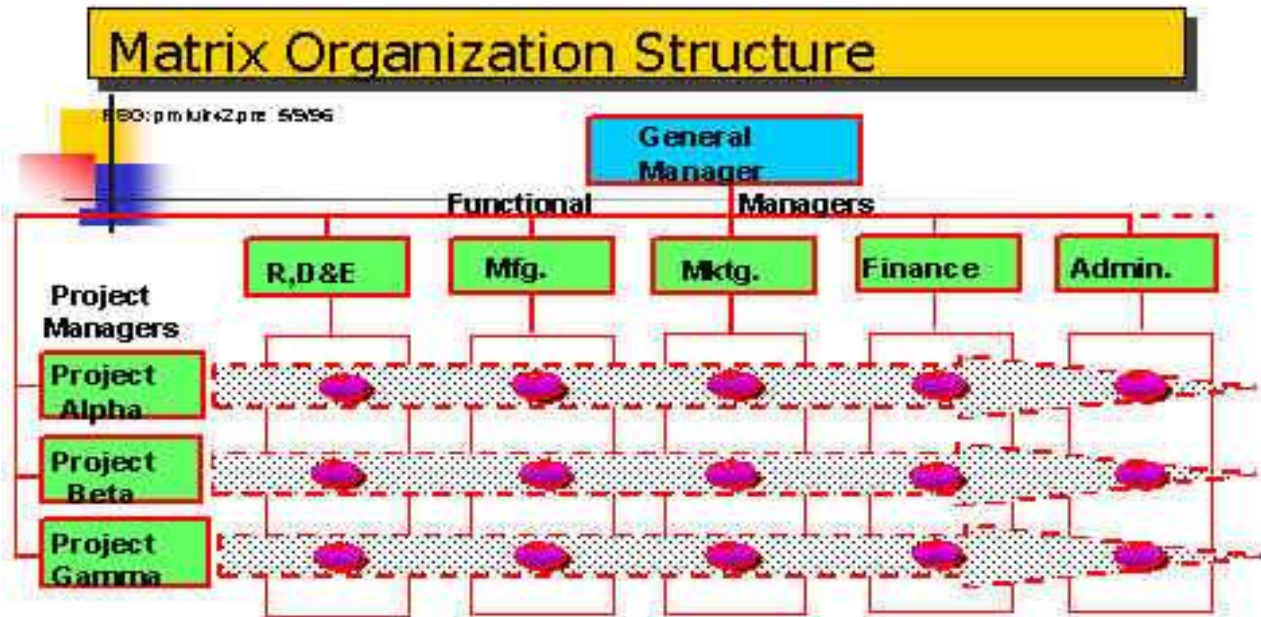


Divisional Organization

- These operate as self contained business units.
 - Various divisions can be totally unrelated but work under the single corporate umbrella.
 - The central headquarter focuses on all the divisions.
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Matrix Organization

- This structure utilises both the functional and divisional chains of command simultaneously in the same part of the organisation.



Advantages:

Disadvantages:

Matrix Organisation

- ❑ This structure assigns specialists from different functional units to work together on a project as a cross functional team.
 - ❑ The team is led by a project manager.
 - ❑ Project managers have the authority over activities geared towards achieving organisational goals while functional managers have authority over tasks related to their department.
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Strategic business Unit. (SBU)

- ❑ SBUs are distinct business units within a large company.
 - ❑ They are treated as separate business as they have adequate size and mission.
 - ❑ A manager is appointed to head an SBU and made fully accountable for its profitability and operations.
 - ❑ The main advantage here is that SBUs can be provided with specific focus and their heads can manage them with entrepreneurial zeal.
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Virtual Organization

- ❑ This comprises of a group of independent people or organisations that come together to execute a project and then disperse.
- ❑ This is made possible by telecommuting and customer organisation linkages.



Virtual Organisation

- ❑ Virtual organisations appear for the execution of tasks and disband after the successful execution of the task.
 - ❑ The only disadvantage is that the focus is specific on the task and there is little sense of belongingness and ownership.
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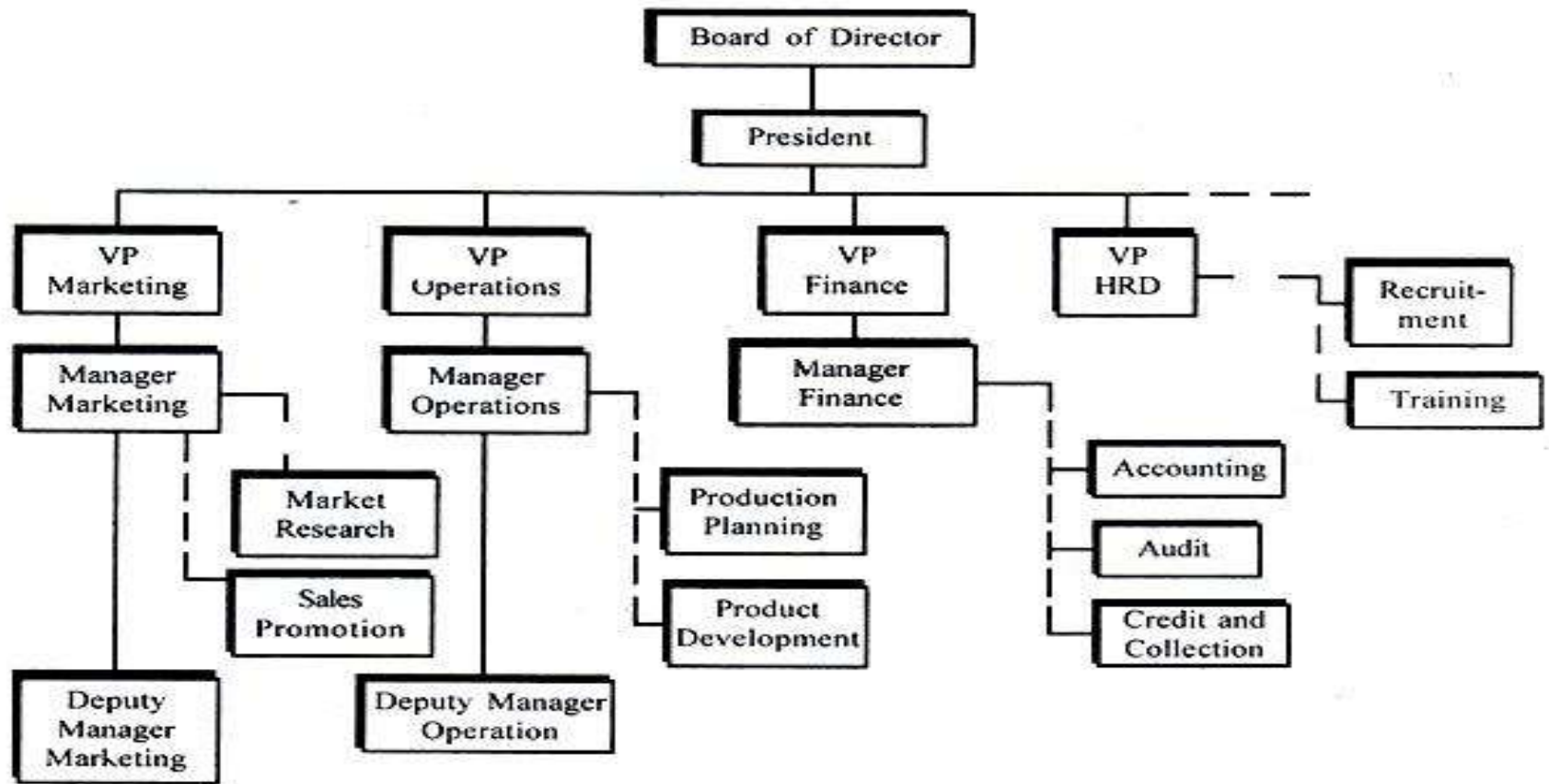
Line Authority

- ❑ Line authority represents superior-subordinate relationships for functions, which are directly responsible for accomplishing the key objectives of the enterprise.
 - ❑ The line identifies those positions that possess command and authority to make decisions.
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Staff Relationship

- ❑ Staff identifies those positions in an organisation that do not command a decision making authority.
 - ❑ These are support positions providing services, advice, assistance and support to the line authority to enable them to perform their duties.
 - ❑ It is for the line managers to decide whether to take some decision with respect to the given advice.
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Line & Staff Relationship



Legend : — Line Authority
-- Staff Relationship

Departmentation

- ❑ A department is a distinct area or a branch of the organisation which handles tasks of similar nature.
 - ❑ The process of grouping of activities into units for the purpose of administration is called departmentation.
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Types/Basis of Departmentation

- ❑ Departmentation by Function
 - ❑ Departmentation by Product
 - ❑ Departmentation by Geographical Regions
 - ❑ Departmentation by Process
 - ❑ Departmentation by Customer Group
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1. Departmentation by Function

- In this type, similar occupational specialties are grouped together under functional system units of finance, manufacturing, marketing, accounts, research etc.
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2. Departmentation by Product

- ❑ This form assembles different activities of an organisation in accordance with different product types that it manufactures.
 - ❑ This form of departmentation enables organisations to focus on different products simultaneously which sell a large number of products simultaneously.
 - ❑ Eg: Cosmetics, Clothing etc
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3. Departmentation by Geographical Regions

- ❑ In this form, different jobs are grouped on the basis of territory.
 - ❑ South Asia, Europe, North America etc.
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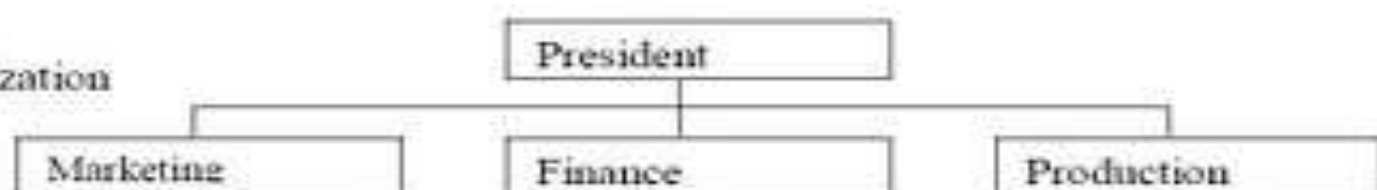
4. Deparmentation by Process

- ❑ Activities are grouped on the basis of different steps involved in the process of manufacturing.
 - ❑ Eg. Bottling, capping, labeling, filling etc.
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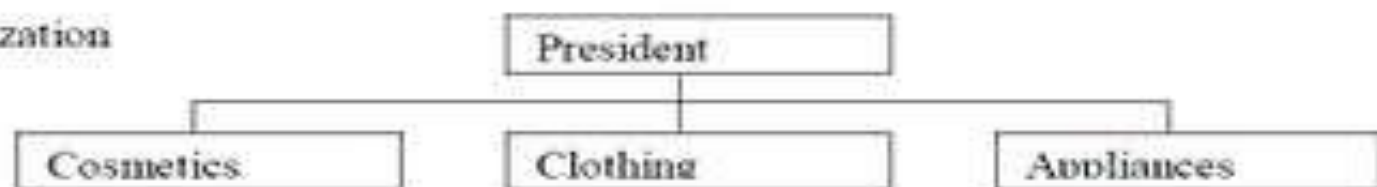
5. Departmentation by Customer Group

- ❑ Some organisations serve different market segments by offering different types of products.
 - ❑ These markets or customers can be served effectively with different channels.
 - ❑ This forms of departmentation groups jobs on the basis of a common set of needs or problems of specific customers
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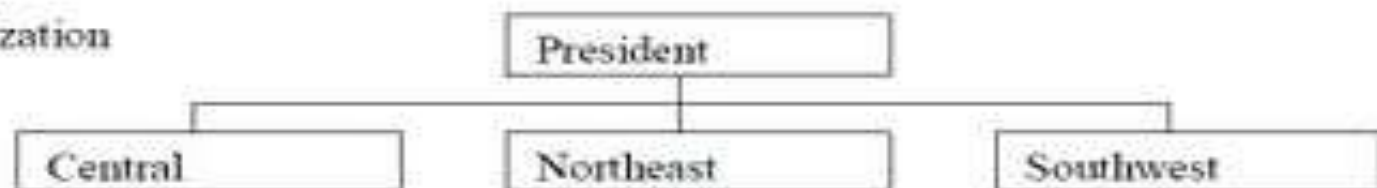
Functional
Departmentalization



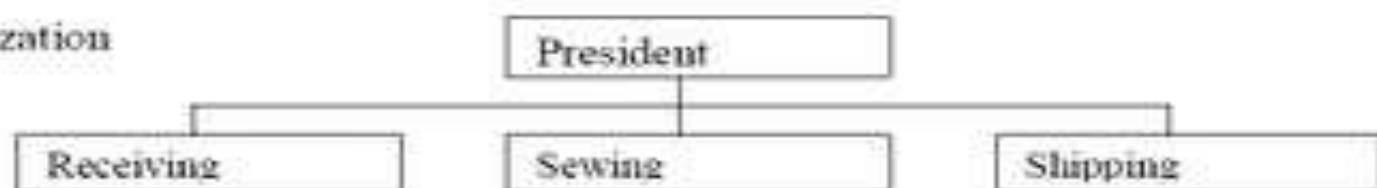
Product
Departmentalization



Geographical
Departmentalization



Process
Departmentalization



Customer
Departmentalization

