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शक्ति उत्थान आश्रम लखीसराय बिहार

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Organising

Question 1:

Define 'Organising'?

ANSWER:

Organising refers to the procedure of aligning the activities in a certain order. It contains designing the roles and directing the people towards accomplishment of goals. Human efforts along with the resources are brought together and coordinated under this function. The focus of the function lies in enabling people to work together and implementing the plans for successful attainment of objectives. Through organising the working relationships of an organisation gets clearly defined, thereby ensuring its smooth functioning. The process of organising involves

- i. Identifying the work and dividing them according to the plans
 - ii. Grouping the work of similar nature and making departments for the same.
 - iii. Assigning authorities to the right personnel
 - iv. Designating the reporting relations
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Question 2:

What are the steps in the process of organising?

ANSWER:

The following are the steps involved in a successful process of organising.

(i) **Identifying and Dividing the Work:** Under organising, the very first step deals with identifying the activities and dividing them according to the defined plans. The actions are divided as per the objectives. A clear division of work is done so as to avoid any duplicity.

(ii) **Creating Departments:** Herein, the divided actions are further grouped into units based on the similarity in nature. That is, similar activities are grouped together. Such departmentalisation

promotes specialisation. Each department specialises in a particular task. Departments can be formed on the basis of several criteria such as working profiles, regions, product, etc.

(iii) **Assigning Duties:** The third step under organising deals with assigning the roles and responsibilities to the personnel. Under each department work is allocated to different members as per their skill and ability. While assigning the duties it must be ensured that the best suited and proficient person is selected for the work.

(iv) **Establishing the Relationships:** Any organisation needs a proper hierarchic structure to work efficiently. Every person should know whom he's working under and to whom he needs to report. Clear establishment of such relationships help in smooth functioning of an organisation.

Question 3:

Discuss the elements of delegation.

ANSWER:

Delegation refers to the transfer of authority and responsibility to the subordinates. The following are the basic elements of delegation.

(i) **Authority:** It refers to the power given to an individual to command and direct the subordinates. It implies the right to take decisions regarding what is to be done and by whom. Scalar chain in a formal organisation gives rise to authority as it entails the link between various jobs and determines the relation of who is to report to whom. It is a downward flowing channel, i.e. superior commands authority over the subordinates. The extent of authority at the top level management is the highest and it becomes lesser at the middle level and the lowest at the lower level management. However, the scope of authority delegated, depends on the rules and regulations of the organisation. Assigning authority helps in maintaining obedience and compliance.

(ii) **Responsibility:** Responsibility refers to the adherence and answerability of the subordinate to complete the given task. That is, once a duty has been assigned to a subordinate, it is his responsibility to perform the task properly. A subordinate should be obedient and loyal towards the duty assigned to him. The superior-subordinate relationship gives rise to a sense of responsibility. As against authority, responsibility flows upward i.e. the subordinate is responsible to his superior. However, care should be taken that while assigning responsibility to a subordinate, he must also be given a certain degree of authority. On the other hand, an individual who is given authority must also have some responsibility. This is because authority without responsibility may lead to the misapplication of power. On the other hand, responsibility without authority may lead to inefficiency.

(iii) **Accountability:** Accountability implies the answerability of the superior for the final outcome of the work he assigned. Though the superior delegates the work to his subordinate but he still will be responsible for the final outcome. For this the superior, through regular feedbacks and supervision ensures that the subordinate performs the tasks properly and satisfactorily. The

concept of being accountable arises out of responsibility itself. We may say that while responsibility is assumed, accountability is imposed.

Question 4:

What does the term 'span of management' refer to?

ANSWER:

Span of management refers to the number of subordinates that a manager can efficiently handle. It is the determining factor for the nature and structure of an organisation. Span of management can be classified into the following two categories.

i. Narrow Span of Management: If the number of subordinates reporting to a particular manager is small, the span of management is said to be narrow. Narrow span of management leads to tall organisational structures that have multiple levels of management.

ii. Wide Span of Management: Span of management is said to be wide if, there are large number of subordinated reporting to a manager. Wide span of management leads to flatter organisational structures with only a few levels of management.

Span of management depends on various factors such as ability of the manager in terms of leadership, control, etc., extent of decentralisation followed in the organisation, working ability of the subordinates, nature of work, etc.

Question 5:

Under what circumstances would functional structure prove to be an appropriate choice?

ANSWER:

A Functional structure entails organising and grouping together activities of similar nature. That is, under functional organisation activities or work of similar nature are grouped together. Each group functions as a separate department and specialises in its work. For example an organisation can have departments such as production, human resource, finance, marketing, etc. Each department in turn report to one coordinating head. Functional structure is usually suitable for large organisations who deal with number of varying functions requiring high degree of specialisation. The following points highlight the suitability of functional structure.

i. Large Size: A large size organisation can function smoothly, if the work is divided into various departments. Departmentalisation in large organisation improves managerial efficiency and the degree of control. Thereby, the work proceeds smoothly.

ii. Varying Functions: Dealing with diverse varying functions simultaneously requires high degree of coordination so as to improve efficiency. By a clear division of activities in various departments, a functional structure promotes coordination among the various functions and thereby, ensures smooth functioning.

iii. Requirement of Specialisation: Varying functions in an organisation can be performed better if dealt with specialisation. With departmentalisation, each department can function independently and specialise in their respective functions.

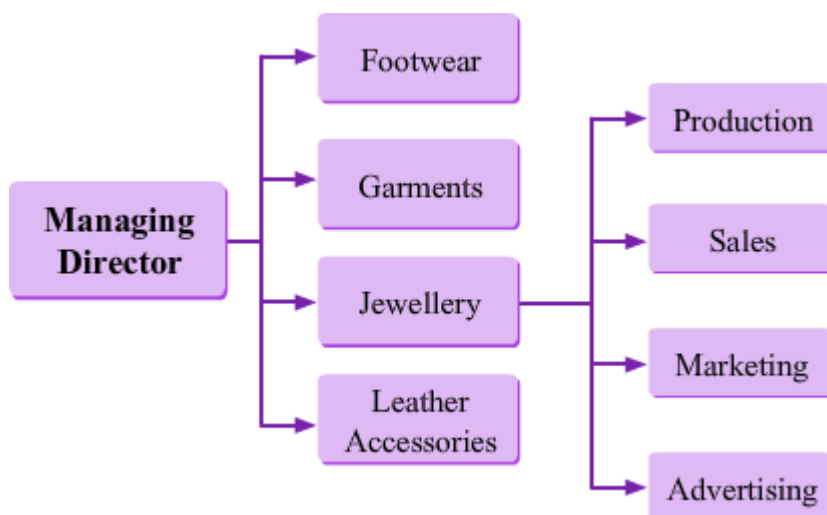
Question 6:

Draw a diagram depicting a divisional structure.

ANSWER:

Sometimes when an organisation has more than one product line, it groups its activities on the basis of the product line. Such grouping of activities on the basis of product line is known as divisional structure. Each division in the organisation specialise in their respective product lines. Further, each division has multiple functions under it such as production, sales, marketing, etc. That is, within each division there is a functional structure.

Suppose an organisation deals in four product lines namely, footwear, garments, jewellery and leather accessories. Based on these product lines, the organisation has four divisions that report to the managing director. Each division further has four departments namely, production, sales, marketing and advertising. The divisional structure for such an organisation is depicted by the following diagram.



Question 7:

Can a large sized organisation be totally centralised or decentralised? Give your opinion.

ANSWER:

No, any organisation cannot work smoothly if it is either completely centralised or completely decentralised. Rather a balance is required between the two.

Centralisation refers to a situation where the decision making power is concentrated only in the hands of the top level management. Herein, only the top level managers are authorised to take the needed decisions. All the functions related to policy making, planning and controlling are curtailed to the top level management. In contrast to this, decentralisation refers to a situation where the decision making power is delegated to the lower level managers. Herein, the power of taking actions and deciding the policies is distributed at different levels.

An organisation cannot function either with extreme centralisation or with extreme decentralisation. As an organisation grows in size, it cannot maintain complete centralization. Rather, a need arises to move towards decentralisation. For a smooth functioning, the individuals involved in the actual work must have certain degree of authority and responsibility. With decentralisation, the overall management of the work becomes more efficient. It allows for better control of the work at each level of hierarchy. Moreover, as the organisation grows in size, decentralisation would facilitate quick decision making. This is because in a decentralised system the decision making power is near the point of actual work. Thereby, the delay in work is avoided.

However, an organisation cannot also follow extreme decentralisation. If all the decision making power is delegated to the lower level managers, then it may harm the harmony of the organisation. It is possible that lower level managers at each department mould the rules and policies according to their own convenience and thereby, diverge from the organisational goals. Thus, certain degree of authority and control must be retained at the top level management so as to maintain integrity of the organisation.

Hence, we can say that a large sized organisation cannot be totally centralised or totally decentralised, rather it must maintain a balance between the two.

Question 8:

Decentralisation is extending delegation to the lowest level. Comment.

ANSWER:

Both decentralisation and delegation relate to downward delegation of authority and responsibility. Under delegation, the authority is shared by the superior to the immediate subordinate. On the other hand, under decentralisation this concept is extended and the authority is distributed at not just one but multiple levels. That is, while delegation involves just two persons, i.e. the superior and subordinate, decentralisation is a wider concept of the same (delegation) where the power gets transferred to numerous levels. For example, suppose the director of an organisation delegates the responsibility of completing a task, hiring the required workers and supervising them to a project head. The project head in turn shares his responsibility

of hiring and supervising the workers with the project lead. The project lead further delegates the responsibility of supervising the workers to the team lead. Thus, delegation at each level from the director, to project head, project lead and further to the team lead results in decentralisation. Hence, it can be said that delegation at each level leads to decentralisation and decentralisation is extending delegation to the lowest level.
