



19MEE312

**PRINCIPLES
OF
MANAGEMENT**



UNIT III ORGANISING

Organising – Meaning, Importance and Process

Definition

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.

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:

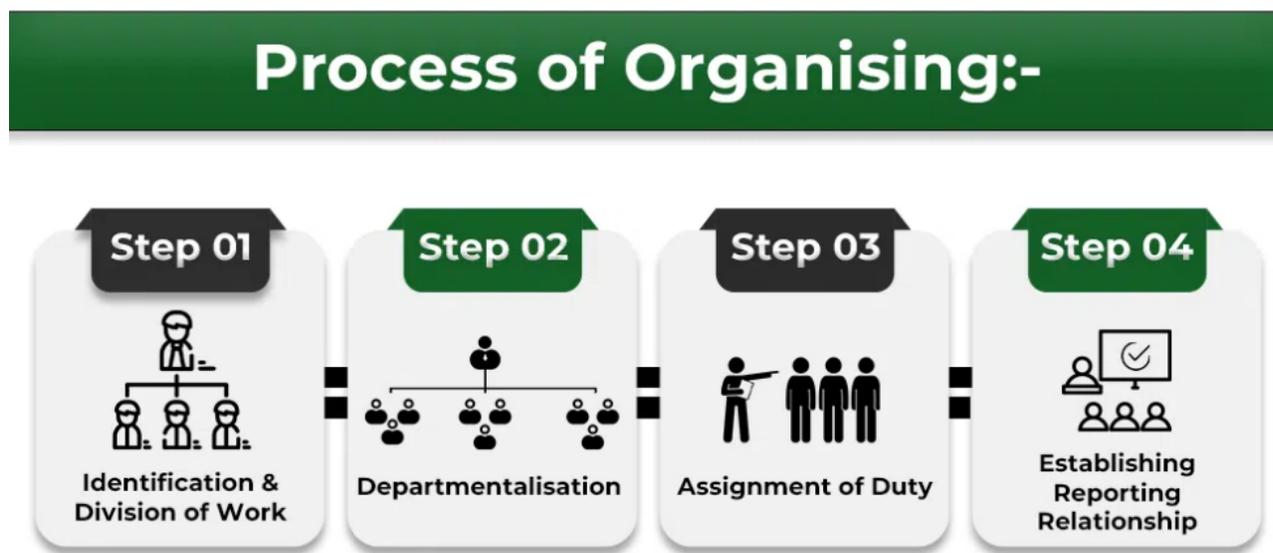
In the process of organising, a managerial person is trained to acquire a wide experience in diverse activities through delegation of authority. Delegation allows manager to reduce their work by assigning future jobs to subordinates. It also gives time to concentrate on important work. The delegation 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.