

Concept, Importance & Process of Organising

1 Mark Questions

1. Define 'organising' as a function of management. (All India 2014c)

Ans. Organising is the function of management, which coordinates the physical, financial and human resources and establishes productive relations among them for achievement of specific goals.

2. Enumerate any two basis of departmentation in an organisation. (Delhi 2009c)

Ans. Two basis of departmentation in an organisation are:

- (i) Territories (north, south, east, west, etc).
- (ii) Products (appliances, clothes, cosmetics, etc).

3 Marks Question

3. Explain by giving any three reasons why organising is considered as an important function of management. (Delhi 2010)

Ans. The following points highlight the crucial role that organising plays in any business enterprise:

(i) Clarity in working relationship The establishment of working relationships clarifies the lines of communication and specifies, 'who will report to whom'. This removes ambiguity in transfer of information and instructions.

(ii) Effective administration Organising provides a clear description of jobs and related duties. This helps to avoid confusion and duplication. Clarity in working relationships enables proper execution of work. Management of an enterprise thereby becomes easy and this brings effectiveness in administration.

(iii) Expansion and growth Organising helps in the growth and diversification of an enterprise by enabling it to deviate from existing norms and taking up new challenges and also by facilitating its efficient management.

4/5 Marks Questions

4. Organising involves a series of steps that need to be taken in order to achieve the desired goals. Explain these steps.

(Delhi 2014; All India 2014,2011c)

or

State the steps in the organising process. (Delhi 2013)

or

Describe briefly the steps in the process of organising. (Delhi 2012)

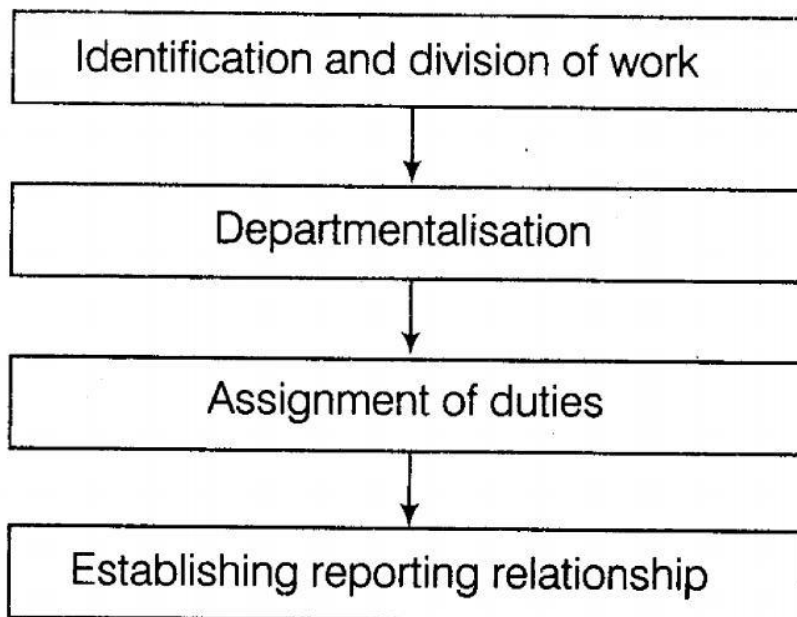
or

'Organising is the process of defining and grouping the activities of the enterprise and establishing the authority relationship among them.' In the light of this statement, explain the steps in the process of organising.

(All India 2011)

Ans. Steps in the Process of Organising

Various steps involved in the organising process may be described as follows:



(i) Identification and division of work The organising function begins with the division of total work into smaller units. Each unit of total work is called a Job. The division of work into smaller jobs leads to specialisation because jobs are assigned to different individuals according to their qualifications and capabilities. The division of work and assignment of jobs leads to systematic working.

(ii) Grouping the jobs and departmentalisation After division of work, related and similar jobs are grouped together and put under one department.

This can be done in the following two ways :

(a) Functional departmentation Under this method, jobs related to common functions are grouped under one department.



(b) Divisional departmentation Under this method, jobs related to one product are grouped under one department.

(iii) Assignment of duties After dividing the organisation into specialised departments, each individual working in different departments is assigned a duty, matching to his skill and qualifications. We can say, the work is assigned to those who are best fitted to perform it well.

(iv) Establishing reporting relationship Merely allocating the work is not enough. Each individual should also know from whom he has to take orders and to whom he is accountable. The establishment of such clear relationships helps to create a hierarchical structure and helps in coordination amongst various departments.

5.State any four points of importance of organising as a function of management. (All India 2012)

or

‘Organisation is the harmonious adjustment of specialised parts for the accomplishment of some common purpose or purposes.’ In the light of this statement, explain any four points of importance of organising. (All India 2011; Delhi 2011)

Ans. Organising is considered as an important function of management because:

(i) Benefits of specialisation Organising leads to a systematic allocation of jobs amongst the work force. This reduces the work load as well as enhances productivity because of the specific workers performing a specific job on regular basis. By doing a job on regular basis, a worker gets experience in that area and leads to specialisation.

(ii) Clarity in working relationship The establishment of working relationships clarifies lines of communication and specifies ‘who reports to whom’. This removes ambiguity in transfer of information and instructions.

(iii) Optimum utilisation of resources Organising leads to the proper usage of all material, financial and human resources. The proper assignment of jobs avoids overlapping of work and also makes possible the best use of resources. Avoidance of duplication of work helps in preventing confusion and minimising the wastage of resources and efforts.

(iv) Expansion and growth Organising helps in the growth and diversification of an enterprise by enabling it to deviate from existing norms and taking up new challenges. In other words, sound organisation helps in taking the various activities under control and increases the capacity of the enterprise to undertake more activities.

6. Explain

(i) Benefits of specialisation and

(ii) Development of personnel as importance of organising. (Foreign 2011)

Ans. (i) Benefits of specialisation Organising leads to a systematic allocation of jobs amongst the work force. This reduces the work load as well as enhances productivity because of the specific workers performing a specific job on regular basis. By doing a job on regular basis, a worker gets experience in that area and leads to specialisation.

(ii) Development of personnel Delegation of authority allows the managers to reduce their work load and to pay attention to more important and strategic issues and to develop new methods and ways of performing job where their potential can be exploited in more useful manner. Delegation develops in subordinates the ability to deal effectively with challenges and realise their full potential for more creative work.

7. Explain

- **Adaptation to change and .**
- **Effective administration as importance of organising. (All India 2010; Delhi 2010c)**

Ans. (i) Adaptation to change The process of organising allows a business enterprise to accommodate changes in the business environment. It allows the organisation structure to be suitably modified and the inter-relationships amongst various managerial levels to pave the way for a smooth transition.

(ii) Effective administration Organising provides a clear description of jobs and related duties. This helps to avoid confusion and duplication. Clarity in working relationships enables proper execution of work. Management of an enterprise thereby becomes easy and this brings effectiveness in administration.

8. Explain

- **Expansion and growth and**
- **Optimum utilisation of resources as importance of organising. (Delhi 2010c)**

Ans. (i) Expansion and growth Organising helps in the growth and diversification of an enterprise by enabling it to deviate from existing norms and taking up new challenges. In other words, sound organisation helps in taking the various activities under control and increases the capacity of the enterprise to undertake more activities.

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9. Aman, Avneesh and Amrish have decided to start a business of manufacturing toys. They identified the following main activities which they have to perform:

- Purchase of raw materials
- Purchase of machinery
- Production of toys
- Arrangement of finance
- Sales of toys
- Identifying the areas where they can sell their toys
- Selection of employees
- In order to facilitate the work, they thought that four managers should be appointed to look after (a) production (b) finance (c) marketing (d) personnel.
- Identify the function of management involved in the above mentioned para.
- Quote the lines from the above para which help you to identify this function.
- State the steps followed in the process of this function of management. (HOTS; All India 2009; Delhi 2009)

Ans. (i) 'The organising function of management is involved in the above para.

(ii) Following lines helped in identifying this function:

'They identified the following main activities which they have to perform.... '

or

'In order to facilitate the work, they thought that four managers should be appointed...'

(iii) Steps in the process of organising

- Identifying and dividing the work into manageable activities.
- Combining the work or departmentation where activities of a similar nature are grouped together.
- Assignment of duties or allocating work to different employees.
- Establishing reporting relationships so that each individual knows that from whom he has to take
- orders and to whom he should report or is accountable.

NOTE According to Koontz and O' Donnell, 'Organising involves the grouping of activities necessary to accomplish goals and plans, the assignments of these activities to appropriate departments and the provision for authority delegation and coordination'.



6 Marks Questions

10. With the help of any four points, explain the crucial role of 'organising' function in an enterprise. (Foreign 2014)

or

Organising plays an important role in any business enterprise. Explain by giving any four reasons. (Hots; Delhi 2009c)

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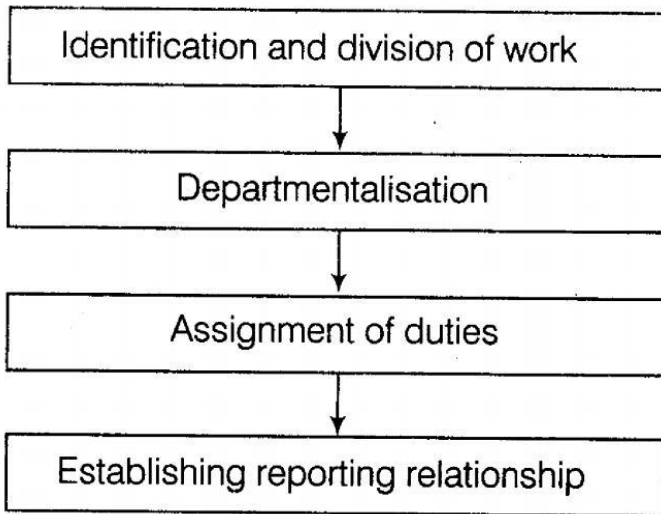
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11. Explain the steps in the process of organising. (Compartment 2014)

Ans. Steps in the Process of Organising

Various steps involved in the organising process may be described as follows:



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(ii) Grouping the jobs and departmentalisation After division of work, related and similar jobs are grouped together and put under one department.

This can be done in the following two ways :

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(iii) Assignment of duties After dividing the organisation into specialised departments, each individual working in different departments is assigned a duty, matching to his skill and qualifications. We can say, the work is assigned to those who are best fitted to perform it well.

(iv) Establishing reporting relationship Merely allocating the work is not enough. Each individual should also know from whom he has to take orders and to whom he is accountable. The establishment of such clear relationships helps to create a hierarchical structure and helps in coordination amongst various departments. **12. Give the meaning of 'organising' as a function of management. Explain the steps in the process of organising. (All India 2011)**

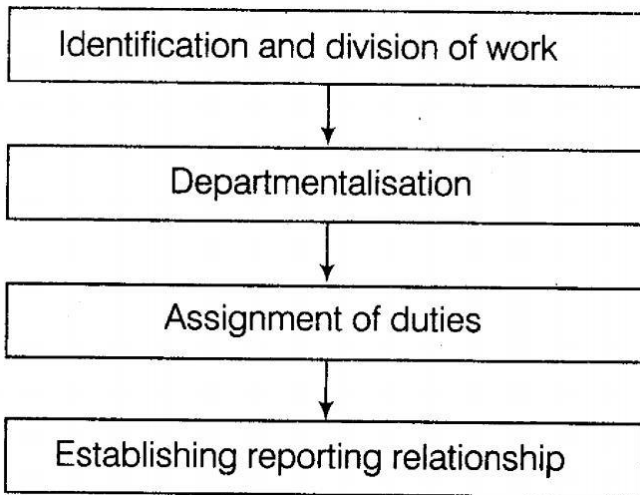
Ans. 'Organising is a process of identifying and grouping the work to be performed, defining and delegating responsibility and authority and establishing relationships for the purpose of enabling people to work most effectively together in accomplishing objectives'.

Organising can be defined as a process that initiates implementation of plans by

assigning jobs and working relationships and effectively deploying the resources for attainment of identified and desired results or goals.

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