

Delegation & Decentralisation

1 Mark Questions

1. Give the meaning of authority as an element of delegation. (Delhi 2014)

Ans. Authority refers to the right of an individual to command his subordinates and to take action within the scope of his position. As an element of delegation, it should be delegated in such a manner that a subordinate cannot escape from his/her accountability.

2. Give the meaning of accountability as an element of delegation. (Foreign 2014)

Ans. Accountability means being answerable for the final outcome. It cannot be delegated and flows upwards, i.e. a superior will be accountable to his superior for the satisfactory performance of job.

3 Marks Questions

3. Decentralisation is a key element in effective organising. Explain with the help of any four reasons. (All India 2014,2009)

or

Explain by giving any three reasons why decentralisation is important in an organisation.

(All India 2010; Delhi 2010)

Ans. Decentralisation refers to the systematic effort to delegate to the lowest level, all authority except which can be exercised at the central point.

The following factors highlight its importance: (Any Four)

(i) Greater motivation Decentralisation improves the morale and motivation of subordinates which is reflected in better work performance.

(ii) Develops initiative among subordinates Decentralisation helps to promote self-reliance and confidence amongst the subordinates. This is because when lower managerial levels are given freedom to take their own decisions, they learn to depend on their own judgement. It helps to promote initiative and creativity among them.

(iii) Develops managerial talent for the future As a result of decentralisation, employees get more opportunities to develop new skills. It makes them better future managers.

(iv) Quick decision-making Decentralisation in an organisation, provides more freedom to lower level managers to take their own decisions. There is no need to get approval from higher level. It helps in quick and better decision-making.

(v) Facilitates growth and expansion Decentralisation facilitates organisational growth

through expansion and diversification. Top executives are not burdened by the administrative problems and complexities. So, they are able to plan expansion and diversification.

4. Explain by giving any three reasons why delegation is important in an organisation.(Delhi 2010)

Ans. Delegation is important because:

(i) Business growth It helps in the expansion of an organisation by providing a ready workforce to take up leading positions in new ventures.

(ii) Healthy relations It establishes healthy superior subordinate relationships which are the basis of hierarchy of management.

(iii) Tool of training It allows the subordinates to take decision independently. Thus, it is a tool for developing managers for the future.

5. Delegation is a key element in effective organising. Explain with the help of any four reasons. (Delhi 2009c)

Ans. 'Delegation means the granting of authority to subordinates to operate within the prescribed limits/ (1)

Effective delegation leads to the following benefits:

(i) Effective management By empowering the employees, the managers are able to function more efficiently as they get more time to concentrate on important matters.

(ii) Employee development As a result of delegation, employees get more opportunities to utilise their talent. It also allows them to develop those skills which will enable them to perform complex tasks and assume those responsibilities which will improve their career prospects.

(iii) Facilitating growth Delegation helps in the expansion of an organisation by providing a ready work force to take up leading positions in new ventures.

(iv) Basis of management hierarchy Delegation of authority establishes healthy superior-subordinate relationships, which are the basis of hierarchy of management. It is the degree and flow of authority which determines 'who reports to whom'.

4 / 5 Marks Questions

6. Distinguish between ‘Delegation’ and ‘Decentralisation’ on the basis of Purpose, Scope, Status and Nature. (Delhi 2013)

Ans. Difference between delegation and decentralisation

Basis	Delegation	Decentralisation
Purpose	To lessen the burden of the manager.	To increase the role of the subordinates in the organisation by giving them more autonomy.
Scope	It has narrow scope as it is limited to superior and his immediate subordinate	It has wider scope as it implies extension of delegation to the lowest level of management.
Status	It is a process followed to share tasks.	It is the result of the policy decision of top management.
Nature	Delegation is a compulsory act because no individual can perform all the tasks on his own.	Decentralisation is an optional policy decision. It is done at the discretion of the top management only.

7. If we delegate the authority, we multiply it by two. If we decentralise it, we multiply it by many. In the light of this statement, explain any four points of importance of decentralisation. (HOTS; Delhi 2011)

Ans. In the light of given statement, we can say that decentralisation results in the multiplication of authority by many because of the following points of its importance: Decentralisation refers to the systematic effort to delegate to the lowest level, all authority except which can be exercised at the central point. The following factors highlight its importance:

(i) Greater motivation Decentralisation improves the morale and motivation of subordinates which is reflected in better work performance.

(ii) Develops initiative among subordinates Decentralisation helps to promote self-reliance and confidence amongst the subordinates. This is because when lower managerial levels are given freedom to take their own decisions, they learn to depend on their own judgement. It helps to promote initiative and creativity among them.

(iii) Develops managerial talent for the future As a result of decentralisation, employees get more opportunities to develop new skills. It makes them better future managers.

(iv) Quick decision-making Decentralisation in an organisation, provides more freedom to lower level managers to take their own decisions. There is no need to get approval from higher level. It helps in quick and better decision-making.

(v) Facilitates growth and expansion Decentralisation facilitates organisational growth through expansion and diversification. Top executives are not burdened by the administrative problems and complexities. So, they are able to plan expansion and



diversification.

8. Authority and responsibility are two important elements in delegation of authority. Explain the two. (All India 2011)

Ans. An organisational structure cannot be conceived without authority and responsibility. These are two important elements in delegation of authority.

Authority It refers to the right of an individual to command his subordinates and to take action within the scope of his position. According to Henri Fayol, 'Authority is the right to give orders and the power to exact obedience. Authority gives holder the power to enforce orders or decisions. It can be delegated. It always flows downwards i.e. vertically from superiors to subordinates'. **Responsibility** It is the obligation of a subordinate to properly perform the assigned duties. It arises from a superior-subordinate relationship. According to Davis Filley, 'Responsibility is the obligation of the individual to perform assigned duties to the best of his abilities under the direction of his executive'.

6 Marks Questions

9. With the help of any four points explain the importance of 'decentralisation' in an organisation.(All India 2014)

or

'Decentralisation is an important philosophy that implies selective dispersal of authority'. In the light of this statement explain any four points of importance of decentralisation. (Compartment 2014)

or

What is meant by decentralisation? State any five points of importance of decentralisation. (Delhi 2012)

Ans. Decentralisation means distribution of decision-making authority at various levels in the organisation. According to Louis A Allen, 'Decentralisation refers to the systematic effort to delegate to the lowest level, all authority except that which can be exercised at the central point'.

Importance of decentralisation Decentralisation refers to the systematic effort to delegate to the lowest level, all authority except which can be exercised at the central point.

The following factors highlight its importance:

(i) Greater motivation Decentralisation improves the morale and motivation of subordinates which is reflected in better work performance.

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on their own judgement. It helps to promote initiative and creativity among them.

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10. Besides effective management and employee development delegation helps the organisation in different ways. Explain any four such ways. (Compartment 2014)

or

What is meant by delegation of authority? Explain any four points of importance of delegation of authority.

(Delhi; All India 2014, 2009c)

or

'Delegation is a key element in effective organising'. Explain with the help of four reasons. (All India 2011)

Ans. Delegation is a key element in effective organising. The delegation of authority is essential for the existence of an organisation. It helps in the efficient functioning of the organisation. According to Theo Haimann, 'Delegation of authority merely means the granting of authority to subordinates to operate within the prescribed limits'. Delegation ensures that the subordinates perform tasks on- behalf of manager thereby, reducing his work load. Difference between delegation and decentralisation

Basis	Delegation	Decentralisation
Purpose	To lessen the burden of the manager.	To increase the role of the subordinates in the organisation by giving them more autonomy.
Scope	It has narrow scope as it is limited to superior and his immediate subordinate	It has wider scope as it implies extension of delegation to the lowest level of management.
Status	It is a process followed to share tasks.	It is the result of the policy decision of top management.
Nature	Delegation is a compulsory act because no individual can perform all the tasks on his own.	Decentralisation is an optional policy decision. It is done at the discretion of the top management only.



11. Give the meaning of essential elements of 'delegation'. (All India 2013)

Ans. Delegation means granting of authority to subordinates to operate within the prescribed limits.

Elements of delegation are:

(i) Authority It refers to the right of an individual to command his subordinates and to take action within the scope of his position.

- Authority is needed to discharge a given responsibility to the subordinates.
- It flows from top to bottom of the scalar chain.
- The superior has authority over the subordinates. It is highest at the top management. However, it reduces as we move downward in the corporate hierarchy.

(ii) Responsibility It is the obligation of a subordinate to properly perform the assigned duties.

- Responsibility arises from a superior-subordinate relationship because the subordinate is bound to perform the duty assigned to him by his superior.
- Responsibility flows upwards, i.e. from bottom to top. A subordinate will always be responsible to his superior.

(iii) Accountability

- Accountability implies 'being answerable for the final outcome of the assigned task'.
- Accountability flows upwards, i.e. a subordinate will be accountable to his superior for satisfactory performance of the assigned work.

12. 'Delegation is the entrustment of responsibility and authority to another and the creation of accountability for performance'. In the light of this statement, identify and explain the essential elements of delegation.(HOTS; All India 2012; Delhi 2010)

or

Explain elements of delegation of authority. (Delhi 2009)

Ans. Delegation means granting of authority to subordinates to operate within the prescribed limits.

Elements of delegation are:

(i) Authority It refers to the right of an individual to command his subordinates and to take action within the scope of his position.

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(iii) Accountability

- Accountability implies 'being answerable for the final outcome of the assigned task'.
- Accountability flows upwards, i.e. a subordinate will be accountable to his superior for satisfactory performance of the assigned work.

12. Delegation is a key element in effective organising. How? State by giving any six reasons. (All India 2010)

Ans. Delegation is a key element in effective organising. The delegation of authority is essential for the existence of an organisation. It helps in the efficient functioning of the organisation. The following points highlight the importance of delegation of authority are: 'Delegation means the granting of authority to subordinates to operate within the prescribed limits/

Effective delegation leads to the following benefits:

(i) Effective management By empowering the employees, the managers are able to function more efficiently as they get more time to concentrate on important matters.

(ii) Employee development As a result of delegation, employees get more opportunities to utilise their talent. It also allows them to develop those skills which will enable them to perform complex tasks and assume those responsibilities which will improve their career prospects.

(iii) Facilitating growth Delegation helps in the expansion of an organisation by providing a ready work force to take up leading positions in new ventures.

(iv) Basis of management hierarchy Delegation of authority establishes healthy superior-subordinate relationships, which are the basis of hierarchy of management. It is the degree and flow of authority which determines 'who reports to whom'.

(v) Reduces the burden of superior executive The delegation of authority means



sharing of work and authority with others. A manager can assign a part of his responsibility and grant authority to his subordinates. This reduces his work load and helps superiors in concentrating on the work which is more important.

(vi) Motivation It gives job satisfaction to subordinates. It motivates them to render their willing cooperation for achieving the organisational goals. It leads them to higher performance and makes them more responsible.