CHAPTER EIGHT

Consolidation of the Result -

Summarised View of the Investigations made and on Major Findings

(Based on Chapters Four, Five, Six and Seven)
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This chapter aims at discussing the major findings, based on investigations and observations made in respect of application of management functions in all the companies. The common application of functions in all the organisations have been discussed first and dissimilarities thereafter. After discussing the similarities the explanation due to which the deviation is there, have been given. The discussion has been arranged in order of the management functions.

Similarities:

planning function:

All the four companies taken up for as a case for investigating the application of planning function and to know the form in which they express their organisational objective have one thing in common that is, all of them state that their organisational objective is to carry on the business of 'Travel and Tourism' as a commercial activity. There is no difference of opinion on profit making as one of the major goals of organisations and the form in which they express it quantitatively.

All operations of all the organisation are preprogrammed and large sized companies do not do any operation which is not preprogrammed. Everyone of them is of
the opinion that it is the requirement and they can not operate without being preprogrammed.

Un flexibility of plans, long term plans are flexible and short term plans are not flexible. If there is any flexibility required in the short term planning, it just can not be allowed because of the nature of trade. Flexibility in the long term planning is allowed to the extent that if the set targets are seeming difficult to attain due changed conditions, the plans can be made flexible in consonance with the changed conditions. But short term plans, in all the companies can not be changed. For planning purposes no organisation uses any special techniques or tool as such. The method used for planning purposes is only to take up that segment of the planning first which is difficult to obtain for selling a tour, followed by less difficult to obtain for selling a tour, followed by less difficult and so on. In all the companies, irrespective of size, employees participate in planning upto managerial level and they are 100 per cent effective also. The top management of all the four companies studied, was of the opinion that employees find it difficult to execute or get executed a plan, which is not of his own or he is not a part of that planning. For planning purposes, there exists no possibility of receiving any distorted information from within the organisation but it is very much there from outside such as the announcements government related to arrival of tourists. But all of the companies in the trade do not rely on those informations, they only depend
on their own sources and their planning does not coincide with the national planning in any way. The organisations studies always leave a room for a second alternative if the first one does not materialise. They also plan in such a way that if a part of plan is not executed, rest of the planning should not be disturbed.

Almost all the organisations believe in innovative techniques and use them also. They are of the opinion that innovation is a must in the trade. The organisations do not find it much difficult to introduce a change but it is rather welcomed by the employees because of the way it is presented before them.

**Organising Functions:**

In all the organisations, there is centralisation at the level of policy making and complete decentralisation at that level of planning which is to be implemented at the level of assistant manager or fourth in the line and there is 100 per cent division of labour in the organisation.

There is no any friction over the use of authority and responsibility relationship in any of the organisations because the organisations treat the two as the two sides of a coin. The organisations are very much informal and their organisational structure is very much flexible and this flexibility has been experienced by three of them in the changing circumstances and worked well.
All organisations have a few points common in selecting a person. These points are his personality, family background, communication skill and dedication to work. However, for very technical posts such as telex operator or accountants where there is no direct contact with clients, the above criteria may be relaxed and the preference is given to technical qualification.

The appraisal of performance of personnel and the promotion is also based on similar lines as those of selection. Here all the organisations see to it that he has developed a habit of getting along with the people, is enthusiastic, likes the job, is willing to work. Thereafter, seniority comes for promotion. The contribution of a person in the organisation is believed to have been reflected by the above traits of an individual. Organisations also appraise their performance on the reports sent by end users. For describing a job manuals are provided and in most of the cases, almost in 99 per cent cases, the new entrant is attached with a senior executive who explains him the job verbally. All organisations provide on the job training for 3 to 6 month period. No formal classes or combined classes of training are possible to arrange because of the nature of trade. The duration also depends on the time an individual is taken in. During lean period, the time of training is more than otherwise. Levels of compensation vary from organisation to organisation but as on practice, it is not associated with designation. But on the subjective judgement
of the top management is the final criteria in the determination of level of compensation. A very important and interesting finding is that management of all the organisation feels it a pleasure to deal with personnel and believes that it is because of the attitude of management partly and partly because of the kind of people associated with the organisation.

All the organisations experience it difficult to get the desired type of persons, because of poor and non-planned stuff produced by the university, and also because of lack career planning on the part of students. Maintaining the desired kind of person is difficult because of the fact that trade is like a closely knit family where everyone knows where the opportunity is there in India or abroad and people leave the job.

**Directing, Motivating and Leadership Function:**

The management of all the organisation is participative. None of the organisation uses any special technique to supervise the personnel except the fact that the senior executive keeps an eye over the junior are and it goes upto the top management.

To direct and motivate the personnel, the large organisation issues charge sheets and letter of reprimands and extra benefits additional increments respectively. But in the small organisations only verbal instructions are used.
The communication system to direct and motivate the personnel is said to be very effective in all organisations. Large organisations find it difficult to motivate the personnel irrespective of monetary incentives while the small organisations are of the opinion that there is no problem to motivate than without incentives. There is no any distrust or conflict among employees at any level. There is hardly any absenteeism and frustration. The turnover is also very low. The employees in the large companies hardly waste any time, they are dedicated but it is only felt in one organisation which is second smallest one in the four organisation.

**Controlling Function:**

There is no activity related to production in the organisations as the organisations belong to service industry. All the organisations take their past records as achieved standards and on the basis of these achieved standards, the targets are set in marketing and finance. There exists no system of calculating any variance if there is deviation from the standard. There is no procedure to locate to the reasons of low performance. All the above the common in all organisations.

There exists no formal system of feedback for control purposes. The organisations have direct contact with the foreign tour operators and in some cases with clients also. The only system existing in the marketing area is to collect
the feedback from clients occasionally about the services offered to them. It has been observed that in all the organisations, the time period allowed for corrective measures depends on kind of mistake. It has to be instant so far as the operations are concerned. In the case of finance control etc. it differs from mistakes to mistakes.

The degree of control is neither too much tight nor too much loose. It is middle path and the control system that is existing now is very much effective to conform to the plans, as stated by all the organisation.

Dissimilarities:

There are a few points which are not common in all the organisations. Sometimes the differences are due to the size and sometime due to age of organisation and also due to many factors. These can be discussed below. An attempt has also been made to explain as to why a discrepancy or a deviation from the common practice exists.

The organisation which is the lowest in terms of turnover and a recipient of award in fourth category has a subsidiary objective also unlike of the rest three whose objective is to get a fair return on capital. The subsidiary objective of this organisation is the industry leadership which is strange but speaks of high determination of the organisation. The objective gets a support from the findings an innovation and risk taking attitude of the organisation where it offers a variety of services which are unique and
invite great deal of risk also.

The planning of the smallest of the four companies is not a very long term one. It depends on the planning of someone else who provides it business, i.e., the foreign travel agents. Although all the organisations follow the terms of foreign agents but they have some say at all the level of planning a tour which the small one does not seem to have.

Three organisations are not very much risk taker. They avoid very high degree of risk which is not there with the smallest organisations. It maintains that high degree of risk is necessary for growth.

Use of generalists and specialists also differs from organisation to organisation and within the organisations also from one office to the other office depending on the volume of work. For example the smallest of the four organisation, uses specialists as well as generalists. The larger and largest organisations use specialists in head office and in those offices where the volume of work is high which essentially calls for the use of specialists. But in those offices where there is no much work, a specialist is a generalist also many a times.

Similarly, the span of control is there in the ratio of 1:2 for smallest company while it ranges from 1:5 for the largest and large companies.
The smallest organisation does not follow the rigid method in selecting the personnel which is there in rest of the three organisations. It all is done due to very size of the organisation and of course due to the requirement also.

In the large organisations i.e. top three the rules i.e. law of the land governs the lay off and dismissal procedure while in small organisation it is the will and requirement of management that governs. In the small organisation there are no set rules or standard format for performance appraisal but it is very much existing in the large organisations. The findings on the use of rules and regulations and on the performance evaluation confirms the hypothesis developed by most of theorists of organisational development which states that organisations start following rules, systems and procedures as they grow.

The largest of the four organisation and the second largest also motivate the personnel with monetary and non-monetary incentive which is not found in small organisation which seems a genuine reason for its slow growth and a high employees turnover.

In the large organisations as well as small organisation, people do identify their interest with that of the organisation except for the third one. The reason for the third one may be because of its one man show and for other three organisations it is a two way traffic. The company cares for them and they care for the company. It
gets support from a very low rate of turnover which is less than 0.5% per annum.