CHAPTER - II

ORGANISATIONAL STRUCTURE
The form of organisation has an important bearing on the success of the enterprise. The right choice would promote good administration which would lead to sound management and efficient production or service. On the other hand, a wrong choice could hinder good administration which would result into uneconomic production, inefficient service and unscientific management.¹

Organisation structure contributes in several ways to the functioning of organisations. First, organisation structure allocates authority and responsibility. It specifies who is to direct whom and who is accountable for what results. The structure helps an organisation member to know what his role is and how it relates to other roles. Second, organisation structure provides communication and coordination
By grouping activities and people, structure facilitates communication between people centred on their job activities. People who have joint problems to solve often need to share information.

Third, organisation structure determines the location of decision-making in the organisation. A departmental store, for instance, may follow a structure that leaves pricing, sales promotion and other matters largely upto individual departments to assure that varied departmental conditions are considered. In contrast, an oil refinery may concentrate on production, scheduling and maintenance decisions at top levels to assure that interdependencies along the flow of work are considered.

Fourth, structure can create the proper balance and emphasis of activities. Those more critical to the enterprise's success might be placed higher in the organisation. Research in a pharmaceutical company, for instance, might be singled out for reporting to the general manager or the managing director of the company. Activities of comparable importance might be given roughly equal levels in the structure to give them equal emphasis. Personnel might rank alongside purchase.
An indispensable ingredient in the process of Public Enterprise Management relates to planning for the organisational structure of the Enterprise. After the general and specific objectives are determined and the Board of Management is constituted, the next step followed is framing of the organisational structure below the Board with a view to get the objectives realised.

"Organisation is the arrangement of personnel for facilitating the accomplishment of some agreed purpose through allocation of functions and responsibility." It is a mechanism through which the management carries-out its business activity. Since the organisation is the foundation on which the entire management structure is built, its soundness results in effective management of Enterprise's activity. On the contrary, illogical unsound or unstable organisation may render the Enterprise ineffective and incapable of achieving its objectives. A sound organisational structure besides making it possible to effectively translate the policies of the Enterprise's activity.

The Andhra Pradesh State Road Transport Corporation, which is acclaimed to be one of the massive Public Enterprises in the State, has its own organisational structures just below the Corporation Board.
commencing with the Vice-Chairman and Managing Director as the Executive Head of the entire organisations.

The Organisational Structure of the Corporation just before the creation of Area Units in 1978 was a three tier structure consisting of Head Office, Divisions and Depots. The Organisational chart as given below analyses that the Line of Command in the Organisation run downwards from Vice-Chairman and General Manager to the District Manager through the Deputy General Manager (Operations) and Divisional Manager.

Vice-Chairman and General Manager  
Deputy General Manager (Operations)  
Divisional Manager  
District Manager

HEAD OFFICE  DIVISION  DEPOT

Head Office: Vice-Chairman and General Manager

The Vice-Chairman and General Manager was the Chief Executive Officer of the Corporation at the Head Office level, who would guide the organisation within the broad frame work of the policies laid down by the Board. He was vested with substantial administrative and executive authority, and responsible for total management of all the activities of the Corporation. He received functional assistance from various Heads of Departments like, Joint General
Manager, Deputy General Manager (Mechanical), Chief Accounts Officer, Deputy General Manager (Operations), Director of Personnel, Chief controller of Stores, Chief Civil Engineer, Industrial Enaineer, Chief Security Officer, Deputy General Manager (Planning and Co-ordination).

Division and Divisional Manager

The Second tier in the Organisation was the Division headed by the Divisional Manager. He was responsible for controlling, directing and co-ordinating the work of District Managers in the Division. He had certain amount of authority delegated to him, although it was felt, that the extent of its was not commensurate with his responsibility. He took command from Deputy General Manager (Operations) and functional assistance from other functional chiefs. All resources required for effective transport management were however not provided in the Division. Thus, the existing Divisions were not self-sufficient from the view point of effective traffic management.

Depot and District Manager

The third tier in the organisation was the Depot headed by the District Manager. The District Manager was responsible for efficient working of the Depot (including Satellite Depts , if any tagged on to
him) in all its activities. The District Manager was assisted by functional supervisors in the field of Traffic, Maintenance, Material Management, Accounts and Office Management.

Organisational Changes in 1977-78: Decentralised Pattern of Organisation: Creation of Area Units

The Andhra Pradesh State Road Transport Corporation introduced certain new changes in its organisational structure to decentralise its administration by dividing the Organisation into six Administrative Area Units, viz., Hyderabad, City (Hyderabad) and Secunderabad city services), Vizayawada, Karimnagar, Vizianagaram and Cuddapah. The Corporate Office to these Area Units would be at Hyderabad. The New decentralised system of organisation was inaugurated on January 26, 1978.

The Administrative Offices of these six Area Units were located one each at Hyderabad (Hyderabad and city Units), Vizayawada, Karimnagar, Vizianagaram and Cuddapah respectively. Each area unit was headed by an Area Manager in the rank of the Head of the Department at the Head Office. The Area Manager was a Line Authority directly under the General Manager and derived functional assistance from Deputy Managers in various items like, Finance, Personnel and Industrial Relations, Civil and Mechanical
Engineering, Material Management, Quality Control, Vehicles and Overhaul. The Area Manager was the controlling agent of the Area and had to control and coordinate all the activities within his jurisdiction without looking at the Head Office for routine functional assistance.

The Corporate Office was mainly involved in policy decisions such as nationalisation and replacement, staff norms, corporate objectives, budget and dealings with government. It would also look after linter-state routes and long distance routes when there was any overlapping between different Areas.

The Area set-up had been finalised on the assumption that each Area Workshop would be able to cater to the needs of nearly 1200 to 1500 vehicles.

Each Area would be a contiguous unit wherein around 1,300 vehicles covering 15 to 20 depots and spread over three to four revenue districts would be operated. The Area headquarters would have all the infrastructural facilities such as workshop, tyre-retreading and stores for effective fleet maintenance.
The concept of Area set-up was the first major reorganisation in the Corporation since 1965 when the present Depot set-up came into existence.

This reorganisation was thought of mainly to support and supplement the policy of nationalisation and extend the services to 66 per cent of villages and make them accessible. It was also intended to decentralise the powers and functions of the Head Office to an appropriate level (Area) nearer to the operational zone with adequate control and built-in-checks to secure optimum organisational efficiency by delegation of powers and responsibilities which could be discharged properly. Further the Area Units as they were nearer to the operating units, redtapism in operational matters could be avoided.

In addition to the creation of Area Units, certain consequential changes also took place in the Organisational set-up of the Head Office which involved the creation of an additional post of Joint General Manager and redesignation of the then existing functional officers.

Organisational Structure After the Advent of Area Units

The Organisational structure of the Andhra Pradesh State Road Transport Corporation as on March
1978 as shown indicated that the organisation had a four-tier structure consisting of Head Office, Areas, Sub-Areas and Depots, headed by Vice-Chairman and General Manager, Area Managers, Deputy Area Managers and District Managers respectively.

<table>
<thead>
<tr>
<th>HEAD OFFICE</th>
<th>AREA</th>
<th>SUB-AREA</th>
<th>DEPOT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vice-Chairman</td>
<td>Area Manager</td>
<td>Deputy Area Manager</td>
<td>Depot Manager</td>
</tr>
<tr>
<td>and General Manager</td>
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</tbody>
</table>

The Vice-Chairman and General Manager continued to be the Chief Executive Officer of the organisation and his powers and functions also continued to be the same.

**Organisational Changes Since 1979**

1. In 1979 the terms Area, and Sub-Area were renamed as Region and Division respectively. Consequently, the Area Manager and Deputy Area Manager were redesignated as Regional Manager and Divisional Manager respectively.

2. In 1980, the post of Joint General Manager (Mechanical) was redesignated as Chief Mechanical Engineer.

3. The post of Joint General Manager (Administration) was redesignated as Additional General Manager (Administration).

4. The Senior Labour Welfare Officer in the Personnel Department was resesignated as Deputy Chief Personnel Manager (Industrial Relations).
5. An additional post of Deputy Chief Traffic Manager was created in the Traffic Department in addition to the two Deputy Chief Traffic Managers for Planning and Traffic already existing in the Head Office. The additional Deputy Chief Traffic Manager was kept in charge of Village Link Transport Services' (V.I.T.S.) functioning under Chief Traffic Manager.

6. The Planning and Coordination Department was completely abolished and its functions were reallocated to the respective departments. With this change, every department had to plan for itself and coordinate in its own department. As a result of this change, the officers hitherto working under the Planning and Coordination Department viz., Chief Statistical Officer, Implementation Officer, Chief Medical Officer and Ancillary Development were brought under the control of Additional General Manager (Administration).

7. In 1981, the post of Recruitment and Training Officer under Chief Personnel Manager was abolished and the Recruitment and Training Cell was placed under the control of the Principal, Staff Training College, Hyderabad since January 1982 attaching these additional responsibilities to him.

8. On November 6, 1982 the Road Transport Corporations Act 1950 was amended and the Vice-Chairman and General Manager and Chief Accounts Officer were redeignedated as Vice-Chairman and Managing Director and Financial Advisor and
Chief Accounts Officer since February 1983 and January 1984 respectively.

9. The post of Chief Mechanical Engineer was bifurcated into Chief Mechanical Engineer (Operations) and Chief Mechanical Engineer (Production) in June 14, 1982.

10. On September 3, 1983 three posts of Joint General Managers were created, each for Engineering, Administration and Operations respectively by surrendering the existing post of Additional General Manager to the Government.

11. The three posts of Joint General Manager were redesignated as Executive Directors on May, 18, 1984.

12. In August 1985, Regional Advisory Councils were constituted at all the six Regions and seventh Region i.e., Nellore Region was also created, but its Regional Advisory Council is yet to be constituted.

13. In May, 1995 the Zonal set-up was introduced as a result the erstwhile 6 Regions were made as 6 Zones namely (1) Hyderabad Zone (2) Karimnagar Zone (3) Nellore Zone (4) Cuddapah Zone (5) Vijayawada Zone (6) Vizianagaram Zone.

14. As a consequence of zonal set-up and conversion of Regions into Zones, the then existing Divisions were converted as Regions. Thus, there resulted in the creation of 23 Regions, each Region in the place of existing divisions. These Regions are placed under the line control of the newly created 6 zones.
15. Under Hyderabad zone there are five regions namely (1) City (2) Mahaboobnagar (3) Nalgonda (4) Medak and (5) Ranga Reddy. Under Karimnagar zone there are five Regions namely (1) Karimnagar (2) Nizamabad (3) Adilabad (4) Kamman and (5) Warangal. Under Nellore zone, there are three Regions namely (1) Nellore (2) Ongole and (3) Tirupati. Under Cuddapah zone there are three Regions namely (1) Anantapur (2) Cuddapah (3) Kurnool. Under Vijayawada zone there are three Regions namely (1) Guntur (2) Vijayawada and (3) Warangal. Lastly under Vizianagaram zone there are four Regions namely (1) East Godavari (2) Visakhapatnam (3) Vizianagaram and (4) Srikakulam.

16. Each zone is placed under the line authority of one Executive Director who is named as Executive Director (zones). The Regions are headed by one Regional Manager each.

Consequent with the abolished of Divisions, the then heads of Divisions namely Divisional Managers (DVMs) were redesignated first as Senior Manager (operations), and Senior Manager (Mechanical). Again they were redesignated Deputy Chief Manager (Traffic) and Deputy Chief Mechanical Engineers.

**Present Organisational set-up**

The current organisational structure of Andhra Pradesh State Road Transport Corporation is of
ORGANISATIONAL STRUCTURE OF APSRTC

Chairman
Vice-Chairman and Managing Director

Executive Director(V) Executive Director(A) Executive Director(O) Executive Director(E)
Executive Director(M) Executive Director(B) Executive Director(Civil) Executive Director(Financial)

Executive Directors for Zones (6)

Senior Manager (M&C)
Regional Managers (23) Deputy Chief Accounts Officer
Depot Managers (194) Deputy Chief Mechanical Engineer Accounts Officer Personnel Officer
Deputy Traffic Manager

Mechanical Foremen Stores Supervisor Senior Head Clerk

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a multi various nature with the following four-tier organisational

1. Head Office - Vice-Chairman and Managing Director.
2. Zones - Executive Directors.
3. Regions - Regional Manager.

The Line of Command in the Organisational structure flows down from the Vice-Chairman and Managing Director to the Depot Manager through Executive Directors for Zones and the Regional Manager as indicated below:

<table>
<thead>
<tr>
<th>HEAD OFFICE</th>
<th>ZONE</th>
<th>REGION</th>
<th>DEPOT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vice-Chairman and Managing Director</td>
<td>Executive Director</td>
<td>Regional Managers</td>
<td>Depot Managers</td>
</tr>
</tbody>
</table>

The current Organisational structure of Andhra Pradesh State Road Transport Corporation is as discussed here under:

The Head Office is at the apex of the organisational structure of the Corporation. It is also called as Administrative Office. It occupies top position in the organisational hierarchy. It is located at Mushecrabad in Hyderabad, the capital city of Andhra Pradesh. It is the Corporate Office for all the seven
Regions of the Corporation. It is involved mainly in policy decisions such as nationalisation and replacement, staff norms, corporate objectives, budget and dealings with government, inter-state routes, and long distance routes.

At the Head Office level, there is a Corporation Board consisting of a full-time non-official Chairman and Official and Non-Official Directors.

Immediately below the Chairman, there is Vice-Chairman and Managing Director who is also in the Corporation Board as well as at the apex of the organisational hierarchy. Thus the internal organisation of the Corporation begins with the Vice-Chairman and Managing Director.

Vice-Chairman and Managing Director

The Vice-Chairman and Managing Director is the Head of the organisational hierarchy and the Line of Command begins with him.

The Vice-Chairman and Managing Director is the Chief Executive Office of the Corporation and guides the organisation within the broad framework of policies laid down by the Corporation Board. He is vested with substantial administrative and executive authority and responsible for the total management of the Corporation.
Line Organisation

As Line Agencies the Vice-Chairman has six Executive Directors each one heading one zone directly under his control followed by 23 Regional Managers and 164 Depot Managers hierarchically.

Functional Organisations

Finance, Material Management, Mechanical Engineering, Personnel, Industrial Engineering, Traffic, Civil Engineering, Vigilance and Security are recognised as vital functions in Transport Management and for each of these, there is a Head of the Department who acts as adviser to the Vice-Chairman and Managing Director. The primary functions of these Heads of Departments are (a) to render advice to the Vice-Chairman and Managing Director bringing to bear their expertise to enable the latter to formulate sound policies, systems and procedures in respect of their functions, (b) to assist in setting standards of performance in respect of their functions, (c) to critically analyse the performance of the Regions in respect of their functions and render advice to the Vice-Chairman and Managing Director and Regional Managers whenever asked for and (d) to prepare functional budgets annual and long-range, consistent with the corporate policy and also to provide functional inputs for corporate planning. The Staff Agencies constitute
the following officers who provide functional assistance.

2. Executive Director (Engineering).
3. Executive Director (Administration).
4. Executive Director (Operations).
5. Executive Director (Mechanical).
6. Executive Director (Board).
7. Executive Director (Civil Engineering).
8. Director of vigilance.

In addition, there are other officers like Secretary to the Board, a Senior Scale Officer and Secretary to the Vice-Chairman and Managing Director, a Junior Scale Officer, who are also directly under the control of the Vice-Chairman and Managing Director.

The creation of the posts of Executive Directors one each in the areas of Engineering, Administration and Operations and soon respectively is an important organisational innovation in the Corporation. This was intended mainly to reduce the Vice-Chairman and Managing Director's span of control over the Functional Heads of various Departments. Before the appointment of these Executive Directors, there were ten Functional Heads directly under the control of Vice-Chairman and Managing Director, besides six Regional Managers as Line Agencies.
ORGANISATIONAL STRUCTURE OF PERSONNEL DEPARTMENT IN ANDHRA PRADESH STATE ROAD TRANSPORT CORPORATION

Headquarters level ——— Board of Directors
                              | Chairman
                              | Vice-Chairman and Managing Director
                              | Executive Director (Administration)

Zonal level ——— Executive Directors for Zones ——— Chief Personnel Manager

Regional level ——— Regional Managers ——— Deputy Chief Manager (Personnel)

Depot level ——— Depot Manager ——— Personnel Officer

Senior Head clerk
(Personnel & Establishment)

Source: Office of Vice-Chairman & Managing Director, Andhra Pradesh State Road Transport Corporation, Hyderabad.
Organisational structure of Personnel Department

The organisational structure of Personnel wing in Andhra Pradesh State Road Transport Corporation Commences from the Board of Directors which is the overall policy making body for the entire Corporation including personnel matters. It is the Board which maintains human relations by giving bonus, Pension to the employees, to grant gratuity to the employees or to the dependents of the members of the deceased employees. It also appoints and at their discretion, remove, suspend officers, determine their powers and duties, fix their salaries and emoluments, appoints chief executive or General Manager or Managing Director.

Next to the Board, the Vice-Chairman and Managing Director plays a key role in all the Personnel matters. He is the Chief Executive Officer of the Corporation. He is responsible to exercise supervision and control over the appointment and postings of Senior scale officers and matters connecting their discipline.

The Vice-Chairman and Managing Director is assisted by one Executive Director for Administration. To assist the Executive Director for Administration in all personnel matters there is a Chief Personnel Manager, who is also equal to the rank of executive Directors for zones. He is the Head of the Personnel Department in the Corporation.
Chief Personnel Manager

The Chief Personnel Manager is the Head of the Personnel Department. He is assisted by one Senior Labour Welfare Officer, two Deputy Chief Personnel Managers for Administration and Industrial Relations respectively and the Principal, Staff Training College, Hyderabad. The Senior Labour Officers is assisted by Labour Officers. The Deputy Chief Personnel Manager in charge of Administration is assisted by seven Personnel Officers who are in charge of seven Personnel Cells. The Deputy Chief Personnel Manager (Administration) is responsible to coordinate all the activities of these Cells. The Deputy Chief Personnel Manager (Industrial Relations) is assisted by only clerical staff and he is responsible for industrial relations. The Principal, Staff Training College, Hyderabad, is assisted by Chief Inspector to assist him in traffic matters. With the abolition of the post of Recruitment and Training Officer under Chief Personnel Manager, the Recruitment and Training Cell has also been brought under the control of the Principal. He is responsible for training activities in the Corporation. The Principal of the Industrial Training Institute at Hyderabad has also been kept under the control of the Principal, Staff Training.
College, Hyderabad. The Deputy Chief Personnel Managers of the Regions are also functionally under the control of Chief Personnel Manager.

The Chief Personnel Manager is responsible for planning and development of the Personnel policies and procedures. He is also responsible for the procurement, screening, testing, selection and administration of all personnel consistent with the policy of the Corporation. He also carries on labour welfare activities concerned with Factories' Act, Workmen's Compensation Act, Motor Transport Worker's Act, and other Labour Acts. He formulates administrative procedures in consultation with the Law Officer and frames the norms for various personnel. He is also responsible to carry-out sound industrial relations within the Corporation.

Thus, the Chief Personnel Manager plays a vital role in the Organisation as the quality of personnel largely determines the success or otherwise of an undertaking. Discipline, contentment and a feeling of belongingness towards the Organisation are some of the virtues to be inculcated among the personnel.

At the Zonal level there is a Executive Director as a line authority who is assisted by Deputy Chief Manager for Personnel Matters. The Zonal Manager takes the responsibility or recruitment, training, promotion
and compensation payable to the employees working under him in accordance with the policies of the Corporation from time to time. He also takes necessary steps to motivate and maintain high morale among the employees by ensuring proper working conditions, medical facilities and other necessary services.

At the Regional level there is a Regional Manager who is assisted by one personnel officer who looks after all personnel matters at Regional level.

At the Depot level there is a Depot Manager who takes care of all Personnel matters at Depot level who is assisted by one Senior Head Clerk. He also attends to all the grievances of the employees at the Depot level.

**An over-View**

The process of organisation, which is an important constituent in the public enterprise management, is to doubt effectively adopted by the Andhra Pradesh State Road Transport Corporation. In order to attain the general and specific objectives, a decentralised pattern of organisation with a four layer hierarchy of decision making is being practised. Especially, from the inception of the Corporation till to date, various changes and alterations have been effected in order to suit the operational environment
and meet the organisational deficiencies. The Head Office organisation, the Divisional Organisations, and the Depot organisations have also tested number of experiments made on them.

Consequent to the various organisational changes that occurred in the Corporation from Head Office level to the Depot level Personnel Wing also got affected. There has been changes in the delegation and distribution of various personnel powers to various officers in the organisation which no doubt resulted in confusion, deplication, and overlapping of functions.
REFERENCES


2. Kapoor and Narang, Organisation and Management. New Delhi : Danpatrai, 1979, p. 120.


5. Andhra Pradesh State Road Transport Corporation Board Resolution No.196/77, Dt.17.9.1977.


