CHAPTER – 2

ORGANIZING

Organizing is an essential part of human life. “We are born in organizations educated in organizations, and spend most of our life working for organizations.”

Organization is an identifiable group of people contributing their efforts towards the attainment of goals.

FEATURES OF ORGANIZATION

- Every organization exists to accomplish some common goals.
- The total work of the organization is divided into functions and sub-functions (i.e.) there is division of labour.
- There is an arrangement of positions in to graded services. The authority of every position is clearly defined.
- People constitute the dynamic human element of organization.
- Every organization has its own channel of communication.
- There is a mechanism for coordinating different activities and parts of an organization so that it functions as an integrated whole.
- Every organization has some rules and regulations for its orderly functioning. Formal And Informal Organization Formal Organization refers to the organization structure deliberately created by the management for achieving the objectives of the enterprise. It is an official and rational structure. Informal Organization emerges spontaneously on account of Socio-psychological forces operating at the work place. It arises naturally on the basis of friendship or some common interest, which may or may not be related with work. Formal organization structure involves rigid control over the behaviour of employees. Informal organization offers a powerful protection against such threatening forces. It provides stability to work groups and psychological support to the members.
FORMS OF ORGANIZATIONAL STRUCTURE

1. Line or Military Organization: It is the oldest type of Organization structure in which the authority flows from top to bottom and responsibility flows from bottom to the top.

2. Line and Staff Organization: Line people are directly engaged on their job where as Staff personnel assist the line personnel in carrying out their activity. The role of staff is purely advisory.

3. Functional Organization: Here the organization is divided into a number of Functional areas. Each function is managed by a functional expert in that area.

4. Project Organization: It is of recent origin and developed after World War II. It is used when an organization undertakes a small number of large projects. Each project is in charge of a project team, which is headed by a project manager, who is responsible for the successful completion of the project. Once a project is completed the team undertakes a new project.

5. Matrix Organization: It is used when an organization undertakes large number of small projects. It is a hybrid structure wherein the pure project organization is superimposed on a functional structure. Here there is a permanent functional organization. In addition temporary project groups are created to handle infrequent short term projects. Personnel are drawn from different functional departments. Their activities on the project are coordinated and controlled by the project manager. On completion of the project, the personnel return to their original departments.

6. Committees: Committee is a group of persons formed to discuss and deliberate on problems or decide solutions. Generally the scope of its activities is limited and it cannot handle problems not assigned to it. Committee can either be temporary (Adhoc Committee) or Permanent Committee (Standing Committee)
The process of designing organizational structure involves the following steps

1. Identification of Activities: All activities necessary for accomplishment of objectives are determined.

2. Grouping of Activities: Closely related and similar activities are grouped together to form departments, divisions and sections.

3. Assignment of Duties: Each group of related activities is assigned a position most suited for it. Each position is occupied by an individual while assigning duties. The requirements of the job and the competence of the individual must be properly matched.

4. Delegation of Authority: Appropriate amount of authority is delegated to people to enable them to perform the assigned duties with confidence. The delegation of authority creates superior subordinate relationships between various positions. In the organization. Such relationships and channels of communication must be clearly defined.

**AUTHORITY AND ITS DELEGATION**

In Management, authority is the right to decide and direct others to perform certain duties in achieving organizational goals. It refers to the right to make decisions and to get the decisions carried out. Authority is the relationship between two individuals – one superior and the other subordinate. The superior frames and transmits the decisions. The subordinate executes such decision and his conduct is determined by them. Authority usually resides in the position held by a person (i.e.) it is positional. Authority is used to achieve organizational goals and can be delegated.
SOURCES OF AUTHORITY

Formal Authority Theory: According to this theory authority originates at the top of the organization and flows downward through the process of delegation. Authority always flows downwards from top to the bottom of an organization and creates superior subordinate relationships.

Acceptance Authority Theory: According to this theory the subordinate will accept the orders given by his superiors if the following conditions are satisfied.

1. The subordinate understands the orders well.

2. The Subordinate believes that the order is consistent with organizational objectives.

3. The Subordinate believes that the order is compatible with his personal interests.

4. The Subordinate is both mentally and physically fit to comply with the order.

Competence Authority Theory: According to this theory an individual derives authority from his personal competence and charisma. A person may get his order accepted not because he is having any formal authority but because of his personal qualities. These qualities include technical competence and social prestige in the organization. For example if a person is an expert in a particular field of knowledge other people seek his guidance and follow his advice as if that were an order. Similarly in other social groups, people with charisma have the same authority.

DELEGATION OF AUTHORITY

The tasks involved in the management of an enterprise are too big for one individual. No individual can perform all activities by himself. Therefore the total work of persons can be divided among different persons. In simple words delegation means assigning work to others and giving them authority to do it.
Process of Delegation: Delegation consists of the following steps:

1. The manager has to define the results he wants to obtain from his subordinates.

2. The manager assigns specific tasks or duties to each subordinate. Duties should be assigned according to the qualification, experience and aptitude of the subordinate.

3. Enough authority must be granted so that the subordinates can perform their duties. The subordinates to whom the authority has been delegated must be made answerable for the proper performance of the assigned duties and for the exercise of the delegated authority.

Principles of Delegation:

Before delegating the authority the managers must define clearly the functions to be performed by the subordinate. There must be parity of authority and responsibility. Authority without responsibility will make the subordinate irresponsible. Responsibility without authority will make the subordinate ineffective, as he cannot discharge his duties. Responsibility cannot be delegated after delegating the authority; the manager remains accountable for the activities of the subordinates. The limits of authority of each subordinate must be clearly defined to avoid overlapping of authority. There must be unity of command. The subordinates must receive orders and be accountable to only one superior.

CENTRALISATION AND DECENTRALISATION

Centralization and decentralization are two opposite terms. They refer to the location of decision-making authority in an organization. Centralisation implies concentration of authority at top levels of organizations whereas decentralization means dispersal of authority throughout the organization. Every organization structure contains both the features.
Rama is the best example in Ramayana for competence theory of authority wherein an individual derives authority from his personal competence and charisma. In the Ayodhya Kandam King Dasaratha desirous of making Rama as Yuvaraja² seeks the approval of his subjects. The subjects were unanimous in approving Rama as yuvaraja. The arguments put forward by the subjects clearly indicate the charisma and competency of Rama. The subjects argue that Rama is well read and a master of all Vedas³ and Vedangas⁴. Besides Rama was very well acquainted with the use of all astras. For example how to invoke an astra⁵, the manner of dispatching and withdrawing it. Besides Rama was an expert in human relations⁶. Human relations is motivating people in organizations in order to develop team work, which efficiently fulfils their needs and achieves organizational goals.

Rama was genuinely interested in the welfare of others. The subjects point out that even when Rama was riding on a horse in the chariot, Rama used to stop and talk to the man in the street and enquire about his welfare. Rama was the embodiment of Dharma. He was highly intelligent and a master of human psychology. Rama would always think of new ways of doing things and was an expert in the art of listening. According to the subjects, Rama was unequalled in the art of ruling, capable of ruling all three worlds. He would never abandon anyone who came to him for protection. Rama was righteous and never known to break his word.

Rama was always successful in any war, which he fought. He was like mother earth (Bhooma Devi) in patience and like Indra in valour. In the Ayodhya Kandam, Kausalya persuades Rama not to go the forest. Again it is Rama’s charisma that makes her ultimately agree to his going to the DANDAKA FOREST for 14 years. According to Rama, the path of dharma will lead to the achievement of other Purushathas⁷ Artha, Kama and Moksha. Even though Kausalya commanded Rama not to go Rama was firm in his belief that the ultimate Dharma was implicit obedience to one’s father. Thus Rama’s charisma is responsible for convincing Kausalya and
others about his desire to go to the DANDAKA FOREST. Ravana is the best example in Ramayana for the formal authority. Here authority originates at the top of the organization and flows downwards through the process of delegation. Formal authority is the power to command. Ravana’s instruction had to be strictly followed and there was no option for his subordinates to violate his orders and instructions. The best example where Ravana displays his formal authority is in the Aranya Kandam where he commands Maricha, son of Tataka to take up the guise of the golden deer to attract Sita. Sita attracted by the deer would ask Rama and Laxmana to fetch it for her. At this stage, Maricha must lead both Rama and Laxmana from the ashram so that Ravana can take away Sita to Lanka in their absence. Though the scheme was unjust, Maricha had no other option but to finally follow the orders given by Ravana. Maricha knew that the scheme of Ravana was going to destroy him, Ravana and the entire Lanka, but at the same time he was very well aware of the fact that he could not disobey the commands of his master, Ravana to aid him in his strategy to kidnap Sita. As a last resort Maricha tells Ravana about the consequences of Ravana’s strategy. Maricha indicates that Ravana has not been informed about Rama and his ancestors. Rama was the embodiment of Dharma. Maricha advises Ravana not to antagonise Rama and to take the advice of good ministers like Vibishana. Maricha informs Ravana that his own life was spared twice by Rama out of sheer compassion.

Maricha knew that if he agreed to Ravana’s proposal he would be killed. Ravana was unmoved by all the explanation given by Maricha and tells him that he had come to meet the latter in the capacity of a king. Therefore implicit obedience was required from Maricha. Even then Maricha did not give up and tries to advice Ravana of the evil consequences of his act. The authoritative instinct of Ravana did not care for the well given advice of Maricha. Maricha is an example of implicit obedience to the orders given by the superior following the formal school of authority.
Informal organization can be found in many places in Valmiki's Ramayana. In the Kishkinda Kandam, when Sugreeva summons Vaali once again to a fight, Tara advises Vaali that Angada's spies had told him that Rama and Laxmana, sons of Dasaratha had come to the forest and had forged a friendship with Sugreeva.

In marketing research for conducting motivation research, Espionage Techniques\(^8\) is used to get information from the respondents who are unwilling or unable to provide details directly. There are two main methods:

1. Use of hidden camera's or tape recorders\(^9\)
2. Rubbish Research.\(^{10}\)

Hidden recording techniques make use of hidden video camera's, tape recorders, hidden cameras and hidden observers to watch consumers as they purchase and consume items. The hidden recorder may be put in shops / houses depending upon the information needed.

In Rubbish Research the researcher shifts through the garbage of individuals / groups and records pattern of their consumption, taste and brand preference. Thus the modern Espionage Techniques can be found in Valmiki's Ramayana. Informal organization can be found in many places in the Yuddha Kandam. When the war preparations were going on and the bridge had not been built, Sardula, a Rakshasa happen to spy the immense army of Rama. Sardula was a spy of Ravana and he paid special attention to the details regarding the army and the management of it. Later after hearing the report of Sardula Ravana appoints another spy Suka and directs him to inform Sugreeva to go back to Kishkinda. When Rama's army reached Lanka Suka and Sarana assumed the form of monkeys and tried to spy into the army of Rama.

Line organization in management is the oldest type of organization structure. It is known as military or scalar organization, because it originated in the army. Here the authority moves from top to the bottom. Every manager exercises authority over his subordinates who are in turn
directly responsible to their superiors. Similarly in the Yuddha Kandam, the organization concepts can be found when the army led by Rama and Sugreeva marched southward. Rama clearly divided the army into sections and a mighty warrior headed each section. Neela, the son of Agni was instructed to go in advance and find out if the army of enemy was stationed anywhere. Similarly on landing Lanka, Rama divides the army into different sections with each section in charge of a great warrior. Rishaba was in charge of the right wing, Gandhamadhana was in charge for the left wing. Jambavan and Sushena were to guard the van of army. Angada and Neela were stationed at the heart of the army. Rama and Laxmana were to be in the head. Concepts like centralization and decentralization are found in the Valmiki’s Ramayana. Centralization implies concentration of authority at the top level of the organization, while decentralization means dispersal of authority throughout the organization.

Sugreeva is an example for centralization. This can be seen from the instructions to Neela. Sugreeva calls Neela to assemble the monkeys from the different parts of the world within 15 days. Anyone who violates the command will be executed\textsuperscript{11}. In the Kishkinda Kandam, Sugreeva instructs his army to go in search of Sita in different directions and gives them only one month as time limit. Any delay beyond this period would result in death to the wrong doer. Dasaratha is an example of decentralization of authority. Though all decisions were taken by him, he sought the opinion and advice of ministers and priests before coming to any major conclusions / decision. Dasaratha’s exercise of authority is an example of greatness coupled with gentleness.
Notes and References


2. Yuvaraja – Prince Regent

3. Vedas – Scripture. It is in the four books – Rig Veda, Yajur Veda, Saama Veda, and Atharvana Veda.

4. Vedanga – Name of certain class of books regarded as auxiliary to Vedas and decides to aid the correct pronunciation and interpretation of text and right employment of mantras in ceremonials.

5. Astra – Miraculous weapon whose power lay in the invocations with which they were charged.


8. Espionage Technique

9. Hidden recording

10. Rubbish research – Marketing research, principles applications and cases, Dr. D.D. Sharma Page 382.