FC for Group-1 Officers: Mgmt. & Behaviour Studies, Session-07

Principles of Organization.

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Today's Readings

- a. Gulick Luther. Notes on the theory of organization with special reference to Government in the United States, in: Gulick Luther and Urwick L. Papers on the Science of Administration. New York: Columbia University Institute of Public Administration; 1937; pp. 1-45.
- b. Mooney James D. The Principles of Organization. in: Gulick Luther and Urwick L. Papers on the Science of Administration. New York: Columbia University Institute of Public Administration; 1937; pp. 89-98.

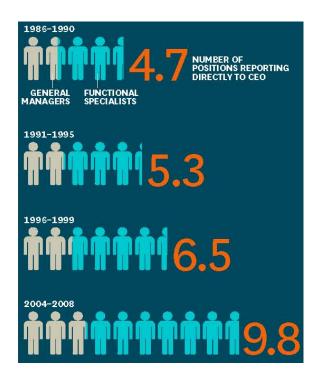


Span of Control Or Span of Managerial Responsibility

- The number of people a supervisor can effectively manage.
- Manager's relationships with deputies:
 - ▶ Direct single relationships with each subordinate.
 - ► Cross relationships between deputies (dy).
 - ► Direct group relationships.
- Quantum of relationships grow geometrically as # of dy increase.
- There is a tradeoff:
 - ► Larger spans ⇒ Fewer Supervisors ⇒ ↓ Supervision costs.
 - ► Too large span ⇒ Supervision is not effective.
- Factors affecting span of control:
 - ► Capacity of managers, deputies and workers.
 - ► Work & its complexity, org. design, delegations, technology & culture.
- VA Graicunas, 1933: Avg. manager can directly handle 3-6 deputies.
- Davis (1951): Two categories of managerial work;
 - ► Supervision of physical work, e.g. shop floor: Span upto 30.
 - ► Supervise mental activity / higher level managers: Span between 3-8.



Recent Trends in Span of Control



- CEOs' Span of Control has doubled over the past two decades.
- Data from sample of Fortune 500 companies show a dramatic increase in number of positions that answer directly to the CEO. Most of the rise is due to the growing presence of functional specialists at the top level.
- Source: Raghuram G. Rajan & Julie Wulf "The Flattening Firm, Review of Econ. And Stat, Nov 2006, cited in Neilson Gary L and Wulf Julie. How Many Direct Report? Harvard Business Review. 2012 Apr.

Solutions to Span of Control Constraint

- Effective Delegation & Exception Handling.
- Span breaker: Hive-off a segment of the old span of control and place it in-charge of a deputy with adequate delegation of authority.

■ Examples:

- ► Distribution of subjects between District Collector, Joint Collector, & District Rev. Officer [GOMs77 (Rev) dt 22-01-68]
- ► City of New York Reorganization in 1934: Subdivision of the executive (Mayor role) by creation of several Asst. Mayors.

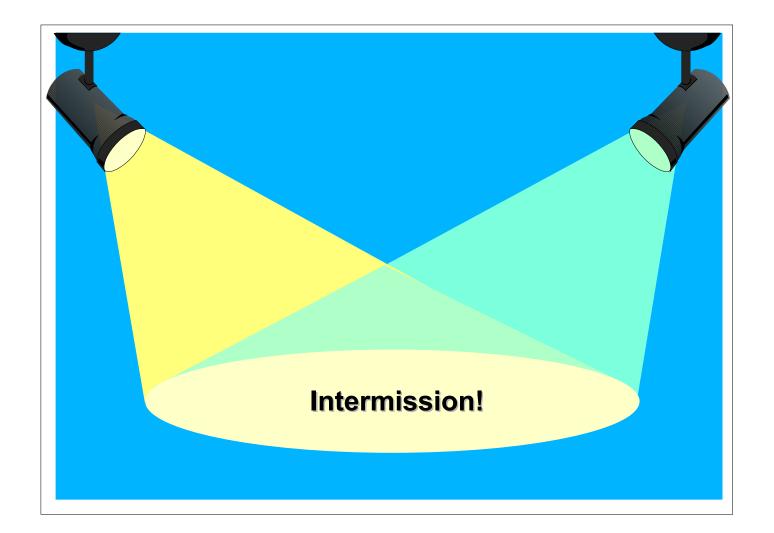
Typical mistakes:

- ► Working toward a magic number.
- ► Rushing to the end state model.
- ► Sticking with an out-of-date management style.



Unity of Command

- The principle that each person within an organization reports to only one designated boss.
- Advantages: Clear Authority, Responsibility & Accountability. Good discipline. Avoids confusion.
- Disadvantages: Low-responsive to local context, Difficult intersectoral coordination, Work congestion at top levels, Poor leadership dev.
- Solutions:
 - ► Fayol's bridge (Gang plank): Departmental authority for field level intersectoral coordination.
 - ► Formal single window mechanisms.
 - ► Empowered intersectoral coordination forums.
- Special Situations: For eg. Fin & Ac Officers.



Technical homogeneity of work

- Efficiency of a group working together is directly related to homogeneity of the work, the processes, and the purpose.
 - ► ⇒ Units equipped with heterogeneous technology, and/ or assigned a variety of works for conflicting purposes tend to encounter friction & inefficiency.
 - ► Examples:
 - Drug Control Adm. & Pharmaceutical Ind.
 - -School Edu. & Agrl. Dev.
 - Hospitals in Public Health Dept.: Recall formation of APVVP in 1987.

Caution about Experts in Govt Ser.

[Educators, Lawyers, Doctors, Engineers, Accountants, &c]

- Great desire for complete indep. in the service of the soc.
- Exactly know people's need > than the people themselves.
- Know how to render the service.
- Utterly oblivious of all other needs.
- Any restraint is limitation of their freedom.
- Deal professionals with respect. Show deference & facilitate good working env.
- Any criticism springs from 'ignorance & jealousy'.
- Budget ↑ for him=public interest, for others='a sheer waste'.
- His efforts to expand are 'public education' & 'civic org.',
- Similar efforts by others are 'propaganda' and 'politics'.
- Tend to assume automatic extension of their professional competence to other areas such as adm. & management.

Moral: Common man is a better judge.

Organizational Perspectives-1

- Top down
 - ► Central management
 - ► System of sub divisions under the Chief Executive
 - ► Span of control limitations apply
- Caution: Keep the service goal in mind.

- Bottom up
 - ► Service delivery
 - ► System of aggregates of units reporting to the Chief Executive
 - ► Principles of homogeneity apply.
- Caution: Make sure of org. coordination

In practice reconcile both perspectives.

Organizational Perspectives-2

- Purpose driven (Vertical):
 - ▶ Dept. is org. to perform an imp. ser.
 - ► Fully equipped with all ancillary & support ser. required by it.
 - Core management
 - Specific personnel.
 - Sup per. common to other depts.
 - Eg: Irrigation Projects.
 - ► Advantages:
 - Autonomy & easier coordn.
 - Timely service delivery
 - Clear authrty & responsibility
 - ► Disadvantages:
 - Suboptimal utilizn of support infra.
 - Continuing educ & prof. dev. of support per. may be neglected.
 - -Limited career dev. for supp. per.

- Process driven (Horizontal):
 - ► Support ser. org. as one dept.
 - ► Supports all purpose driven depts.
 - ► Eg. PWD(R&B) for building maint.
- Advantage:
 - ► Uniform professional guidelines for support personnel.
 - ► Continuing educ. & professional dev. of support personnel.
 - ► Optimal utilization of support infrastructure.
 - ► Economies of scale.
- Disadvantages:
 - ► Dependency & difficult coordn.
 - ► Delayed or poor quality of service.
 - ► Diffused authority & responsibility.

Purpose

Perspective in Gullick's Illustration of Purpose & Process Subdivisions in Organization

CPage76

Black: Purpose depts. Red: Process depts.

	HEALTH DEPARTMENT	EDUCATION DEPARTMENT	POLICE DEPARTMENT				
		SOUGHTON PER ANTREAT	POLICE DEPARTMENT	PARK DEPARTMENT			
	Director Assistant Directors	Superintendent Assistant Superintendents	Chief Assistant Chiefs	Commissioner Assistant Commissioners			
CLERICAL AND SECRETARIAL SERVICE Director	Private secretaries Stenographers File clerks Clerks Mescengers	Private secretaries Stenographers File clerks Clerks Messengers	Private secretaries Stenographers File clerks Clerks Messengers	Private secretaries Stenographers File clerks Clerks Messengers			
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	Personnel manager Lawyer	Personnel manager	Personnel manager Lawyer	Personnel manager Lawyer			
ENGINEERING DEPARTMENT Director	Engineers Architects Repair force Janitors	Engineers Architecte Repair force Janitors	Repair force	Engineers Architects Landscape staff Repair force Janitors			
	Physicians Dentists Nurses Psychologists	Physicians Dontists Nurses Psychologists	Physicians Psychologists				
	Bacteriologiets Inspectors	Laboratory assistants Gardeners Clastroom teachers Disparation of the control of	Orime laboratory staff Folice school staff Uniformed force Detective force Traffic force	Flant laboratory staff Gardenere Becreation leaders Flayground supervisors Fark police Traffic force			
OTOR- IZED SERVICE Supt.	Switchboard operator	Switchboard operator	Jail staff Mounted force Veterinarian Communications staff	Zoo staff Veterinarian Switchboard operator			

Process		MO TOR-IZED SERVICE Supt. Motorized service	Switchboard operator		Bacteriologiate Inspectors	Physicians Doutists Nurses Psychologists	ENGINEERING DEPARTMENT Director January Januar	Personmel manager Lawyer	FINANCE DEPARTMENT Director ot accountants tatalogs office	CLERI CAL AND SECRETARIAL SERVICE Director Pilo Clerics Clerics Services Clerics Services	Director Assistant Directors	HEALTH DEPARTMENT	
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Illustration of Purpose & Process	Black network – Red network –	Motorized service	Switchboard operator	Recreation leaders Flagground supervisors Traffic supervisor	Laboratory assistants Gardeners Classroom teachers Special teachers	Figsicians Dentiste Nursee Psychologists	Engineers Architecte Repair force Janitors	Personnel manager Lawyer	Bulget officer Accountants Purchasing officer Statisticians	Frivate secretaries Stenographers File clerks Clerks Messengers	Superintendent Assistant Superintendente	EDUCATION DEPARTMENT	CH PURPOSE AND PROCESS SU
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									including tax administration controlling accounts, etc.				

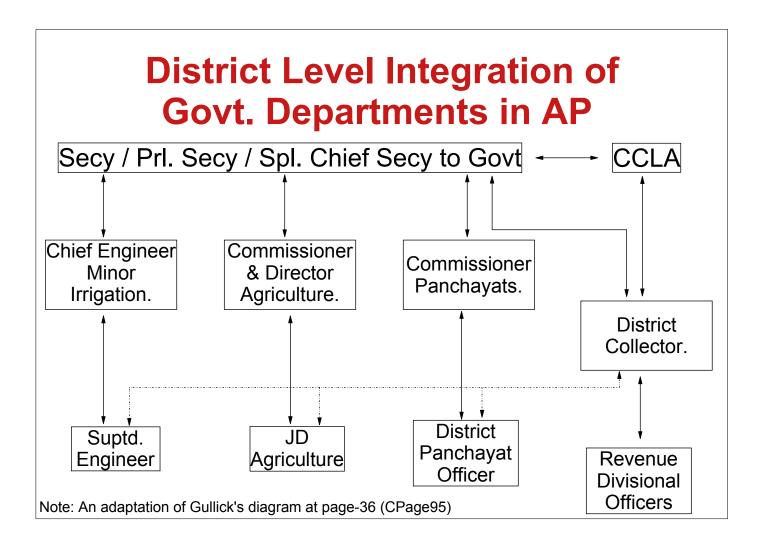
Client Oriented Organization

- Examples:
 - ► The Welfare Departments
 - Social Welfare
 - Backward Classes Welfare
 - -Etc.
- Disadvantages:
 - ► Focussed political lobbying, tending to isolate the department from state wide policy.



Geographical Perspectives for Organization

- Unified command & coordination of several purpose or process driven and client focused units in a territorial entity.
- Inevitable for large & dispersed areas. Eg. Districts in India.
- Social, political & historical considerations. Eg. Yanam (Pondicherry), Gorkhaland Territorial Admn. (West Bengal).
- Community development and local self govt. Eg. Mandal Development Parishads.
- Advantages: Accessibility, Context specific & need based service, community participation, accessibility.
- Requires: Highly competence & status of Territorial heads.
- Requires: Substantive delegation of adm & fin. powers.
- Disadvantages: Local political pressures & interference, deviations from org. policy, boundary problems.



Now Ponder....

What's the One Best Way to Organize?

Best way to Organize...

- An organization is a dynamic entity.
- Activities have periods of;
 - ► Development, Vigorous & stable activity,
 - ► And in some cases, of decline.
- A principle of organization appropriate at one stage may not be appropriate at all during a succeeding stage.
- In any govt. various parts of its work will always stand at different stages of their life cycle.
- Hence, usually not possible to neatly organized departments for all activities.
- Time is an essential element in organization.

The best way to organize...

Combination of Perspectives!

Questions?

& Comments