

MANAGEMENT

MANAGEMENT GUIDE

12



national productivity council

NATIONAL PRODUCTIVITY COUNCIL

The National Productivity Council, established in 1958, is an autonomous organisation registered as a society. It is tripartite in its constitution and representatives of Government, employers and workers and various professional bodies participate in its working. Besides its Headquarters at New Delhi, NPC operates through eleven Regional Directorates, three Regional Offices and two Sub-Offices. Its activities are further extended by a nation-wide network of 48 Local Productivity Councils.

The objective of NPC is to stimulate Productivity consciousness in the country and to provide productivity services with a view to maximizing the utilization of available resources of men, machines, materials and power, to wage war against waste ; and to help secure for the people of the country a better and higher standard of living. To this end, NPC collects and disseminates information about the concept and techniques of productivity and management through various publications, including periodicals and audio-visual media of films, radio and exhibitions. It organizes and conducts seminars and training programmes for various levels of management in the subjects of productivity and management.

With a view to demonstrating the validity and value in application of productivity and management techniques, NPC offers consultancy service (Productivity Survey and Implementation Service), for which the demand has been steadily rising. This service is intended to help industry, departments of Government and service organizations adopt techniques of better management and operational efficiency, consistent with the economic and social aspirations of the Nation.

NPC has established various other specialized services, such as Corporate Planning, Management Information Systems, Electronic Data Processing, Fuel Efficiency Service, Plant Engineering and Production Engineering Services; Productivity Services for public sector undertakings, public utilities, public administration post-harvest operations in Agriculture and small industries; Applied Productivity Research for evolving trends and indices of productivity in the core sectors of economy; National Scheme of Supervisory Development, under which an examination is held and National Certificate in Supervision is awarded to the successful candidates; and Productivity Programmes for Trade Union Leaders and Workers. NPC also conducts institutional training programmes for the development of consultants in productivity and management in the areas of Industrial Engineering, Fuel Efficiency, Plant Engineering, Behavioural Sciences, Financial Management, Marketing Management and Agricultural Productivity.

NPC's professional staff consists of about 200 highly qualified and experienced specialists representing various disciplines relevant to management and productivity.

NPC possesses a well-equipped Library-cum Documentation Centre.

MANAGEMENT GUIDE 12

MANAGEMENT

A. N. SAXENA

**NATIONAL PRODUCTIVITY COUNCIL
Utpadakta Bhavan, Lodi Road
New Delhi-110003**

PUBLICATIONS DEPARTMENT

A.C. Bhutani, *Asst. Director*

Kundan Lal, *Printing Supervisor*

P.R. Vohra, *Artist*

Surinder Paul, *Technical Assistant*

MANAGEMENT

By A. N. Saxena

MG-12

Price : Rs. 8.00/U.S. \$ 4.00

© National Productivity Council, 1977

First Edition	:	March 1970
Second Edition	:	March 1972
Reprinted	:	January 1976
Third Edition	:	November 1976
Reprinted	:	August 1977
Reprinted	:	November 1978
Reprinted	:	November 1981
Reprinted	:	December 1982
Reprinted	:	January 1984

Published by National Productivity Council, Lodi Road, New Delhi-110003 and
Printed at Print India, A 38/2 Mayapuri, Phase I, New Delhi-110064

CONTENTS

	<i>Page No.</i>
INTRODUCTORY NOTE	5
INTRODUCTION	6
OBJECTIVE AND POLICY MAKING	8
SOME FUNDAMENTALS	13
QUESTIONS	13
MANAGEMENT: ITS CONTENTS AND PRINCIPLES	15
INTEGRATING MEN AND METHODS	15
ACTIVITIES IN THE ORGANISATION	16
NEED FOR SCIENTIFIC MANAGEMENT	16
EVOLUTION OF SCIENTIFIC MANAGEMENT	17
DOUGLAS McGREGOR'S THEORY X & Y	18
PRINCIPLES OF MANAGEMENT	20
FUNCTIONS OF MANAGEMENT	21
PRINCIPLES OF COORDINATION	22
GROWING COMPLEXITY OF SUPERVISOR'S JOB	23
JOB OF INTERNAL MANAGEMENT	23
MANAGEMENT IN THE FUTURE	24
QUESTIONS	26
ORGANISATION—SOME FUNDAMENTALS	27
PRIMARY FUNDAMENTALS	27
OPERATING FUNDAMENTALS	28
FORMS OF ORGANISATION	28
BASIC ORGANISATIONAL CONSIDERATIONS	29
SPAN OF CONTROL	30
AUTHORITY AND RESPONSIBILITY	30
CONCURRENT AUTHORITY	31
SOME GUIDING PRINCIPLES	32
LINE AND STAFF FUNCTION	32
THREE RELATIONSHIPS	33

	<i>Page No.</i>
LINE RELATIONSHIP	33
QUESTIONS	33
DELEGATION	34
ESSENTIALS OF DELEGATION	34
AUTHORITY	35
OBLIGATIONS	35
PROBLEMS IN DELEGATION	36
INTEGRATED SUPERVISION	36
OBSTACLES TO ACTUAL DELEGATION	37
QUESTIONS	40
DECISION-MAKING	41
MANAGERIAL FUNCTIONS AND DECISION-MAKING	41
TYPES OF DECISIONS	41
NATURE OF DECISION-MAKING	42
STEPS IN DECISION-MAKING	42
FEARS IN DECISION-MAKING	43
NEED FOR CREATIVITY	44
CONCLUSION	45
QUSSTIONS	46
SUPERVISOR'S ROLE IN MANAGEMENT	47
FOUNTS OF GOOD SUPERVISION	47
ABILITY TO DEVELOP AN ORGANISATION	48
PERSONAL LEADERSHIP	48
ABILITY TO PLAN WORK	48
TECHNICAL KNOWLEDGE	49
COOPERATION IN EXECUTING COMPANY POLICIES	49
JUDGEMENTS AND DECISIONS	50
ACCEPTANCE OF RESPONSIBILITY	50
CONSTRUCTIVE AND INDEPENDENT THINKING	50
SATISFACTION—ITS BASIS	51
CHANCE TO ADVANCE	52
JUST TO BE TREATED LIKE PEOPLE	53
FEELING OF DIGNITY AND RESPONSIBILITY	54
QUESTIONS	55
BIBLIOGRAPHY	56

Introductory Note

Practically the world over, there has been increasing recognition that the development of supervisory skills can significantly contribute to the improvement of productivity of an enterprise. From its inception in 1958, the National Productivity Council has laid stress on supervisory development programmes, but since it needed a more concerted drive, it introduced during the Asian Productivity Year 1970 a nationwide scheme to prepare candidates through self-study and classroom or enterprise-level guidance for a professional qualifying examination leading to the award of National Certificate in Supervision.

The response to the NPC scheme has been quite good. Management of all forward-looking enterprises have evinced considerable interest, and over ten thousand candidates in all have appeared for the examination during the last ten years. In implementing the NPC's Supervisory Development Scheme, some of the Local Productivity Councils have extended their co-operation and support. The success of any self-study scheme ultimately depends on making available adequate study material prepared by competent experts, and written in a lucid and simple style. NPC has brought out as many as 25 Management Guides so far which attempt to give a basic understanding of the various topics included in the syllabus.

This Guide on MANAGEMENT has been prepared by Dr. A.N. Saxena, Director General, National Productivity Council, New Delhi.

These Guides are also designed to be of help to managerial personnel as well as students of management who wish to have some basic understanding of the science and practice of management.

Introduction

During the last two decades in our country there has been a phenomena growth of industry both in the public and the private sectors. This has added new dimensions in terms of responsibilities and obligations on the part of managerial and supervisory personnel. More and more, they are required to imbibe newer concepts and techniques for overcoming the challenges and for regulating the process of decision-making. This growth pattern in knowledge has created two sets of people in managerial and supervisory positions: (1) the young managers/supervisors who are better equipped with conceptual and analytical tools and (2) older managers/supervisors who are better equipped with mature judgement and qualities resultant of long experience.

There is thus a gap between experience and expectations which needs to be bridged rather than widened. In the newer generation, there are greater expectations which sometimes make them restless and are responsible for conditioning their attitudes. However, attitudes in the long run depend upon the extent to which experience can match with expectations. Any shortfall is, therefore, bound to develop unfavourable attitudes. It is, therefore, of paramount importance that if expectations are changing in a particular directions, experience must also change in the same direction.

In view of the fast expanding changes in the industrial set up, there is in evidence a generational conflict in supervisory levels. If this is properly handled, it can lead to constructive results. Supervisors who are a vital link between the workers and the management can provide the stimulus to overcome the challenges, to accelerate the motive force which keeps the organisation going ahead. An analogy from physics could be drawn to supplement this approach. We know that friction causes wear and it also generates heat. However, if this wear can be controlled and the heat applied in the form of useful energy, the end result will be an increase in the amount of useful work done. This then is the essential task of good management. A supervisor as a part of management, therefore, has to play a definite role. He must minimise the conflict to reduce excessive wear and tear by lubricating the mechanism and by harnessing the heat generated into useful forms of activity.

Since young supervisors have a much greater focus on the present than on the future, they have got to be developed to realise the intricacies which confront them

in order to equip them to overcome the challenges of tomorrow. In this process they, no doubt, expect some degree of autonomy and independence, which should be available. Regimentation and sheer exercise of authority is no longer possible and those who have faith in these methods may not be acceptable tomorrow. This is of utmost importance because we are now trying to do things which are more stimulating and creative rather than routinised.

Modern supervision, therefore, needs not only a basic knowledge of the tools and techniques of management but also a realization that supervisory activities are not like an equation in algebra or a problem in geometry. Nothing in supervision follows a strict logical order because supervisors are constantly dealing with imponderables and variables. Most of their time, they have to deal with people who are unpredictable and, therefore, despite the acquisition of scientific knowledge which relates to determining the 'capacity to work' until such time this is multiplied by the other elemental force i.e. the 'will to work', tangible results will never be possible.

Another aspect which needs to be developed is that, in the modern industrial set up, all people in the enterprise have to play their role. It is the total effort which is more important than merely the individual effort. Supervisors have, therefore, to realise that their task lies not merely in the "art of taking" but also in the "art of giving" because both these qualities seldom exist in one person.

We must realise that there is very little merit in a civilization which dulls the mind, warps the emotions, destroys the will and reduces the individual to an automation. In fact, the progress of any society, much less an industrial society, is gauged not merely by the material yardstick but by the opportunities which it provides for intellectual and emotional expression and development of the individual. Progress, therefore, largely depends upon the process of releasing, directing and controlling the energies of all people.

Supervisors who constitute the backbone of industry have to shape their activities in the setting of these pressing, pecuniary and urgent problems which are in the nature of a challenge to their competence and their process of development.

Objective and Policy-making

1. An undertaking is a dynamic force set in a social environment. Its parts are dynamically balanced, both externally and internally. Each internal part has a function and each contributes towards the gaining of the enterprise objective. External forces affect the enterprise as well. The undertaking can be compared to an aeroplane generating its own power, with a complex organisation. It has an objective—reach the destination safely, swiftly and economically. It contends against many forces, the pull of gravity, head winds, storms, and high mountains. The Manager Supervisor is like the pilot, contending against these forces and utilising some of them to achieve his objective.

What are these external forces? They may be economic—like inflation; political—like government laws; educational—like demands of employee rights; sociological—like customs and traditions; and technological—such as improvement in design,—construction, speed, etc.

Technology is science applied to the industrial arts. Science is systematised knowledge, formulated to discover general truths. Science is concerned with understanding, technology is concerned with practical uses, leading to action.

The Internal Forces : The internal forces in an undertaking are many and varied, each having a dimension and purpose of its own, all dynamically balanced and all directed towards an end. It is like a watch, with every part moving to make it go. The purpose of the watch is to show time, correct time. Similarly, the objective of an organisation should be clearly defined. The pilot of an enterprise should overcome the external forces, utilise them if possible and organise the internal forces to achieve the enterprise objective. The founder of a Ship-Building Company stated his objective as :

“We shall build good ships here
At a profit if we can,
At a loss if we must,
But always good ships.”

The objective of General Motors in U.S.A. in the words of their President, is to "regard doing a good job for the customer as our foremost responsibility. This responsibility guides us in everything we do".

In our endeavour to provide economic and social justice to the people in the country, all-out efforts have to be made in the Industrial and Services sectors to fulfil the objectives of national planning which may be broadly stated as follows :

- (a) removal of poverty and attainment of self-reliance;
- (b) to reduce the gap in incomes and wealth;
- (c) to industrialise the country ;
- (d) to increase national income and raise the standard of living of the people ;
and
- (e) to provide greater employment.

Objectives (b), (c), (d) and (e) are directly related to (a) and hence raising the national income and consequent rise in the standard of living is the essence of Planning. To conform to the Plan, every enterprise has to create wealth and equitably distribute it. The effectiveness of an organisation depends on its ability to increase the resources in the country. The internal forces in an enterprise are the machines, a certain number of men with specific skills using predetermined methods in a social environment.

Basic Policy-Making : All the activities of management, at whatever level they are conducted, are or should be directed to a given purpose or objective. Without such an objective, it is difficult to see how management can be effective. A primary need in the practice of management, is therefore, to determine the objective and to define it in terms that all members of the enterprise can understand.

The objective of enterprise in the public sector may well differ from those of private sector, but each must have some goal. *An enterprise without an objective is like a journey without a destination.* The members of the organisation, like the crew of a ship, must know what part they are bound for, and how they are going to get there ; whether by direct route or a round about trip with many stops; whether full steam ahead and never mind the pitching and tossing, or just as fast as is consistent with comfort of the passengers.

The way the ship is going to get there is in fact *the policy for the voyage* and the way an enterprise is to set about reaching its objective is the *policy for the enterprise*. We can thus define policy as the "objective, and the body of principles to be adopted in attaining as the "objective".

Profits: It is commonly said that objective of a private enterprise is to make the best possible profits. In practice, however, the making of the best possible profit is rarely an objective which is pursued whole-heartedly and without limitation. Here are a few instances of limitations:

1. The controllers of a family business may well turn down an opportunity to make increased profits if the only way of doing so is to go outside the family for the capital needed for expansion, and especially if there is a danger of the family's control being weakened or lost. Here a higher value is set on the retention of control than on the making of profits.
2. A company with an established reputation for the manufacturing of quality products may well decide not to take on the manufacture of inferior articles even though the profit margin on these may be much higher. The profit motive is limited again, in this instance, because the company is interested in profits to the extent that they are consistent with its reputation for quality.
3. A company with capital to invest may be presented with the opportunity to realise large profits through speculative buying and selling of commodities. But the degree of risk attached to the speculation may be high, and the company may prefer to invest either in the expansion of its own plant, or in the less risky activities even though the profits from these activities may be less.
4. Some smaller companies often deliberately decide to pass up big expansion opportunities, preferring not to grow too big for the owner to be able to manage comfortably.
5. Many a company may not like to increase their profits by pursuing employment practices which bear harshly on the labour force, and may prefer to carry on even with additional staff, recognising a difficult employment problem and realising its social and economic repercussions.

These examples serve to illustrate the fact that, however emphatic industries may be insisting on making profits as their sole objective, in practice their actions reveal that by stating this they have only illustrated a part of their objective. It is rare indeed for profits alone to be the objective of an industrial enterprise.

Private Enterprise: The primary objectives of a private manufacturing concern has to be the manufacture and supply of products which it is set up to produce to make adequate quantities of that product available for consumers at stated levels of quality; and at the best possible levels of price.

This statement makes no mention of profits. But to fulfil these objectives and keep on doing so over the years it is necessary to make profit. Without profits, these primary objectives cannot be achieved. The reverse, however, is not true: a profit can be made *without* engaging in the particular line of manufacture stated in the objective; indeed by many varied activities carried on simultaneously or successively, none of which may include manufacturing.

It thus becomes clear that profits are not themselves a primary objective in most private industrial enterprise, but rather a necessary condition for the continued fulfilment of the objectives. The true objective of all industrial enterprises and indeed of all economic activity lies in:

- (i) Supplying the goods and services that consumers need; and
- (ii) Providing the means by which they can purchase these goods and services.

Public Enterprises: The reasons for setting up public enterprises and the policies to be followed needs to be thought out most carefully, since public undertakings are often set up to provide a necessary public service, which may or may not be an economic proposition (e.g., transport, electricity generation, water supply) or to enable Government to control basic industries such as Steel, Fertilizer, Defence Production and other service agencies.

An ordinance factory may be set up to supply the country's armed forces with the necessary weapons of war and stores from within the country, to avoid having these essential supplies controlled from abroad. Many manufacturing plants are set up in the public sector to produce the goods the nation needs, to save the foreign exchange which would otherwise be spent on their import, such as fertilisers etc.

An airline may have as its main objective national prestige, which may or may not be consistent with operating at a profit. Another main objective is often the creation of employment in an area where a good deal of unemployment exists.

Writing It Down: Once the objective is formulated, *written down and made known to all concerned*, the task of deciding future action becomes much easier. If the declared objective is the creation of jobs for the unemployed, the objective itself gives many of the answers to questions about the degree of mechanisation which would be admissible. And so with all the other objectives, whether they are those of public or private undertakings, if these are not made known, there is often the danger of drifting into actions which may be inconsistent with the main purpose. A company may take up the manufacture of products unsuited to its capacity, or outside

the range of technical skills for which its design and managerial staff are equipped. Capital may be used for the buying and selling of commodities. In attempts to make quick profits, the company may branch into retail selling, and so on. These activities may not be wrong if they are consistent with the defined objective, if not, they may represent dissipation of efforts and finances.

Changes: Responsibility for defining the objective must, in the first instance, be of those who set up the undertaking—the government for public enterprise, the entrepreneur or the main investor in the private sector. The fact that a certain objective or a policy or which the objective forms a part, has been defined at the outset does not mean that there cannot be changes later when circumstances demand it. Such changes should, however, be made only after taking into account all the factors involved and the probable outcome of pursuing the revised policy. Changes in the objective will normally be very rare events, occurring at intervals of some years only.

Overall Policy: The objective is clearly the first element in the overall policy for the achievement of the purpose of the enterprise. The rest of the policy is concerned with how the purpose is going to be achieved, in general terms. The 'how' of the matter may conveniently be considered in two parts:

1. What may be described as the ethical foundation of the enterprise. This has, in turn, two aspects:

- (a) *The standards of fair trading*—the basic principles on which an enterprise proposes to conduct its relation with persons or firms outside of itself; for instance, its customers, *its dealers and the general public*.
- (b) *Fair standards of employment*—the basic principles which the organisation proposes to observe in regard to dealings with its own employees.

2. The organisational or operational foundation, concerned with the structure and conduct of operations of the enterprise. This will also have two aspects:

- (a) One relating to *external operation, i.e., channels and methods of trading*.
- (b) The other concerned with internal working, question of *equipment, methods of production, basic practices in personnel or control techniques, and so on*.

It will be noted that in both elements of policy there is an "outside" and an "inside" aspect, dealing respectively with (a) the relations of the organisation to the world outside, and (b) the people and methods making up the organisation itself.

Some Fundamentals

To contribute to the economic needs of the community by the manufacture and supply of products, it is essential for the management to be concerned with the following:

1. The clear formulation of policy, in the organisation and/or in sections, and its announcement within and without the organisation. This can be of great importance in promoting effectiveness of management.
2. Policy is obviously the basis of the structure of organisation needed for carrying on the affairs of the enterprise. Unless policy is clearly defined, it is not possible to frame an organisation or to determine the approximate executive responsibilities, nor can the appointed executive carry out these responsibilities with effectiveness and coordination.
3. The clear formulation of policy underlies planning, whether in relation to the capital and equipment required, the channels of trade, the levels of employment, the purchase of materials etc.
4. When policy is clearly defined, the organisation is already long way advanced towards ensuring that its executives keep ahead in the day to day discharge of their responsibilities.
5. In an organisation where managers keep all information to themselves, and argue that workers or staff should get on with the job and "do as they are told", morale is often low: ignorance breeds indifference and suspicion which hinder co-operation and the will to work. Clear policy removes the sense of aimlessness, promotes a sense of participation, besides inspiring in employees confidence in the soundness of management. They know what the organisation is trying to do.
6. Policy is also the basis on which the results of management can be assessed.

QUESTIONS

1. What do you understand by the term "objective of an enterprise"? What is the objective of your organisation?

2. What is the difference between objective and policy making? Discuss.
3. Do you consider “profits” to be the only objective of an enterprise in the private enterprise? If not, give reasons.
4. What is the objective of a Public enterprise? How does it differ from private enterprise?
5. Discuss the common aspects of ‘objective’ of Public and Private Sector?
6. What are some of the fundamentals of Policy Making? Discuss any two.

Management : Its Contents and Principles

Management in its widest connotation is defined as a *knowledge of relationships*. In yet another way management may be defined as the process of directing the operations of an organisation effectively and economically. What are these operations? They are: Production, Distribution, Finance, Quantitative Analysis and Human Relations.

In accomplishing these, an important task of management is to achieve a *desirable atmosphere*. Industrial psychologists call it permissiveness which means that we must encourage people to do their work well, by giving them satisfaction of being on the term and taking part in a good performance.

Almost everything that a group of people or an individual does or says, or fails to do or say, has an effect on the atmosphere. Obviously people in the organisation must know *not only what management* is trying to do but, more important, *why it is trying to do it*. It is, therefore, the process of directing the operations of an organisation or a segment of it or causing people to coordinate one with the other and ultimately it is achieving the common objectives with the resources available.

Management's major task is not merely to provide a conducive atmosphere or to achieve results with a given set of resources but to make it easier and comfortable for people to work together; to instil in them a sense of involvement and to ensure that the process of communication in the organisation conforms and not confronts with the individual attitudes towards one another and further that in the long run total effort becomes symbolic of the health and growth of the organisation.

Integrating Men and Methods

Modern industry has three continuing needs:

1. To increase production
2. To promote employee satisfaction
3. To reduce industrial strife

The effectiveness of any organisation depends upon:

- (i) Perfection of technical processes and equipment employed.
- (ii) Full utilization of human resources, viz., semblance between capacity to work and the will to work.

An important aspect to remember is that modern industry has made work dull and spiritless. The machine age has no doubt made work specialised, but at the same time devoid of intrinsic interest. Accordingly we can't be oblivious of the fact that there is very little merit in a civilization which dulls the mind, warps the emotions and reduces the individual to an automation. In fact, excellence of a civilization is to be gauged not alone by the material yardstick, but by the opportunities which it provides for intellectual and emotional expression and development of the individual. It is basically the man to man equation which is the velocity-giving agent in the entire gamut.

Activities in the Organisation

Basically, industrial undertakings give rise to six groups of activities:

1. Technical activities (production, manufacture, specialisation and adaptation).
2. Commercial activities (buying, selling, exchange).
3. Financial activities (search for, and optimum use of capital).
4. Security activities (protection of property and persons).
5. Accounting activities (stock taking, balance sheet, cost statistics).
6. Administrative activities (planning, organisation, direction control and coordination).

Whether the nature of the undertaking is simple or complex, big or small, these six groups of activities or essential functions are always present. Management has therefore to forecast and plan to organize, to command, to coordinate and to control; to foresee and provide means examining the future and drawing up the plan of action; to organize means building up the dual structure of material and human needs of the undertaking. To command means maintaining activity among the personnel. To coordinate means binding together, unifying and harmonising all activity and effort. To control means seeing that everything occurs in conformity with established rules and expressed command.

Need for Scientific Management

Good Management or scientific management achieves a social objective with the best use of human and material, energy and time, and with satisfaction for the participants and the public.

It is no single element, but rather this whole combination, that constitutes scientific management, which may be summarised as :

Science, not rule of thumb.

Harmony, not discord

Cooperation, not individualism

Optimum output, in place of restricted output, and

Development of each individual to his utmost capability.

An enterprise has to accomplish an objective or a series of objectives which can be attained better by a group of people than by one person alone. Maintaining and enhancing cooperation, and reconciling the discrepancies between individuals and organisation is the prime function of management. The future goal of good management, therefore, lies in creating throughout each enterprise 'a good society' which offers various satisfactions to the community.

Evolution of Scientific Management

During the first half of this century a great deal of attempt has been made by thinkers on Management to establish universal generalisations about management. F.W. Taylor¹, who is regarded as the father of the scientific management, emphasised the mechanical and psychological character of management. He foresaw that these factors were bound to create a reaction. However, during the thirties a growing stress was laid on human relations, largely under the leadership of Elton Mayo² and F.J. Roethlisberger,³ whose work in the famous 'Hawthorne' study has been a major influence on management thought. Both these writers laid greater stress on the aspect of 'sociology' and 'psychology'. In evolving the principles of management Henry Fayol⁴, a French contemporary of Taylor is more systematic in his approach. He was himself an industrialist, a Director of a steel and coal combine. L. Urwick⁵, another management expert also endorsed with slight modifications the principles evolved by Henry Fayol. As such, most of the exponents of management principles were people from the industrial world. However, during the recent decades expertise in management has developed on to a scientific study carried out by researchers, social thinkers and intellectuals adorning the Universities.

-
1. F.W. Taylor "Scientific Management (New York : Harper and Bros, 1947).
 2. Elton Mayo "The Human Problems of an Industrial Civilisation", New York: Macmillan Co., 1933.
 3. F.J. Roethlisberger "The Motivation, Productivity and Satisfaction to Workers", 1958 (Cambridge, Harvard University Press).
 4. Henry Fayol "General and Industrial Management" (London: Sir Issac Pitman & Son, 1949).
 5. L. Urwick "Elements of Administration" (London : Sir Issac Pitman & Son, 1949).

Taylor's theme of scientific management was based on an effort in *reforming management* through a thoughtful and systematic approach to its problems. In particular it advocated :

1. An inquiring frame of mind that refuses to accept past practices as necessarily correct.
2. The replacement of rule of thumb with more carefully thought out guides to action.
3. The collection of data to support decisions rather than the reliance on casual judgements.

Even though there may be a difference of opinion and there has been a lot about it by the critics of 'Taylor', it is still an established fact that his ideas have led to the development of better approaches to management problems. In particular these have contributed to:

1. The elimination of waste effort.
2. More emphasis on fitting employees to particular tasks.
3. Greater care in training employees to the specific requirements of their jobs.
4. Greater specialisation of activities—for example, the drawing of more definite lines between management activities and detailed operations.
5. The establishment of standards for performance.

Douglas McGregor's Theory X and Y of Management

In recent times, Douglas McGregor,⁶ Professor of Industrial Management at M.I.T. has discussed two concepts of management, which he chooses to call the Theories X and Y.

According to him, Theory X is the conventional approach to management, arising from the following assumptions:

- (a) human beings are inherently lazy and will shun work if they can.
- (b) people must be directed, controlled and motivated by fear of punishment or deprivation to impel them to work as the organisation requires.
- (c) the average human being prefers to be directed, wishes to avoid responsibility, has relatively little ambition, and wants security above all.

6. Douglas McGregor "The Human Side of Management," McGraw Hill Publications.

Theory Y of Prof. McGregor has the following assumptions :

- (a) Expenditure of physical and mental effort in work is natural.
- (b) Apart from external control and threat of punishment, human beings will normally exercise self-direction and self-control towards the objectives to which they are committed.
- (c) Involvement with objectives is a function of the rewards associated with their achievement.
- (d) Average person accepts and seeks responsibility as a matter of course.
- (e) Capacity for exercising a relatively, high degree of imagination, ingenuity and creativity in solving organisational problems is not limited to a few people only in the organisational hierarchy.
- (f) Under modern industrial conditions, intellectual potential of average personnel is only partially utilised.

These assumptions are based mainly on Prof. Maslow's⁷ (Brandeis University) well-known theory of 'human needs', namely, that man is creature of ever-expanding wants and once his basic needs are met, others take their place. He has defined five levels of the hierarchy of needs starting from the essential biological ones, rising to more and more intangible ones:

1. Physiological needs: e.g., food, water, air, shelter, rest, exercise etc.
2. Safety needs: freedom from fear of insecurity.
3. Social needs; the tendency to associate, to belong, to be accepted in the society or environment one finds himself in.
4. Ego needs: feeling of importance and recognition.
5. Self-actualization needs: need or desire for personal fulfilment or realization of individual potential and creativity.

The average person having had his basic physiological needs more or less satisfied, is tending more and more to be motivated by the intangible rewards offered by the other four higher levels of the needs hierarchy.

It is these motivating forces that management of the Y theory of Douglas McGregor proposes to tap. The theory Y of Management aims at integrating individual goals with those of the organisation, at making the job the principal means through which each employee may enlarge his competence, self-control and sense of accomplishment.

7. A.H. Maslow, "Motivation and Productivity" (1954), American Management Association,

Principles of Management

Henry Fayol's 'Principles of Management' is still regarded as a monumental contribution on this subject. He defined these principles as follows:

1. *Division of work*: Principles of specialisation necessary to efficiency in utilisation of labour.
2. *Authority and Responsibility* : Responsibility is the corollary of Authority and arises from it. Authority is a combination of official and personal; the latter compounded of intelligence, experience, moral worth, past services etc.
3. *Discipline* : Respect for agreements which are directed at achieving obedience application, energy, and the outward marks of respect. It requires good supervision at all levels, clear and fair agreements, and judicious application of penalties, subscribing to a code of conduct.
4. *Singleness of Command*: Each employee should have one superior only.
5. *Unity of Direction*: Each group of activities having the same objective must have one head and one plan.
6. *Subordination of Individual Interest to General Interests*: Interest of group should supersede that of the individual. When they are found to differ, it is the function of management to reconcile them.
7. *Remuneration of Personnel*: Remuneration and methods of payment should be fair and afford the maximum satisfaction to employee and the employer.
8. *Centralisation of Authority*: Extent to which authority is concentrated or dispersed. Individual circumstances will determine the degree.
9. *Line of Authority*: Chain of command. May be short-circuited when scrupulous following of it would be detrimental.
10. *Material and Social Order*: A place for everything (everyone) and everything in its place. Table of organisation and production control chart (process plan).
11. *Equity of Treatment* : By dealing with subordinates in just and kindly manner, loyalty and devotion are elicited.
12. *Stability of Tenure of Personnel* : Instability is both the cause and effect of bad management. Unnecessary turnover is costly.

13. *Initiative*: The thinking out and execution of a plan, because it is one of the 'keenest satisfactions for an intelligent man to experience. Managers are urged to permit subordinates to exercise initiative even though they may have to 'sacrifice personal vanity.'
14. *Espirit de Corps*: Emphasise the need for team work and the importance of communication in obtaining it.

Functions of Management

In the application of the preceding Principles of Management certain functions become predeterminants of their success. These may be classified as under:

1. *Planning* is the executive function which involves the selection, from among alternatives, of enterprise objectives, policies, and programmes (Practically, it is thinking ahead and can be applied at all levels).
2. *Organising* involves the determination and enumeration of the activities required to achieve enterprise purposes, the grouping of these activities, the assignment of them to a subordinate manager together with the delegation of authority to carry them out, and provisions to develop the desired type of coordination among managers and subordinates.
3. *Staffing* comprises those activities which are essential in manning, and in keeping manned the executive position in the enterprise.
4. *Controlling* includes those activities which are designed to compel events to conform to plans. This formulation of the concept embraces the idea that the planning activities *must precede* control and that plans alone are not self achieving. They must be carried out and possibly modified by circumstances before objectives can be realised.
5. *Directing* the operation of organisation. Directing calls for exceptional qualities on the part of the manager, who must:
 1. Have a thorough knowledge of his personnel;
 2. Eliminate incompetency; training is one method;
 3. Be well versed in agreements binding the organisation and its employees;
 4. Set a good example;

5. Conduct periodic audits of organisation and use summarised charts to further this;
 6. Bring together his chief assistants by means of conferences, at which unity of direction and focussing of effort are provided for;
 7. Guiding, developing and supervising subordinates;
 8. Not become engrossed in details;
 9. Aim at making unity, create energy, initiative, loyalty and cooperation to prevail among personnel.
6. *Coordinating*: The essence of management is the achievement of coordination among people. Coordination is a complex process following the principles by which harmonious enterprise activity can be accomplished for achieving a synchronised effect in the application of many and varied techniques. Coordination is impossible without an acceptance by all personnel of the dominant goal of the enterprise. This goal must be clearly defined and 'sold' to everyone concerned.

Principles of Coordination

1. *Direct Contact*: Coordination must be achieved through interpersonal, horizontal relationships of people in an enterprise. People exchange ideas, ideals, prejudices and purposes through direct personal communication much more efficiently than by any other method, and, with the understanding gained in this way, they find ways to achieve both common and personal goals. This recognised identity of ultimate interests than tends to bring argument on methods and actions.
2. *Timing*: Coordination must be achieved in the early stages of planning and policy making.
3. *Relationship of Factors*: All factors in a situation are reciprocally related. People act as a result of many environments. When A works with B, each finds himself influenced by the other, and both are influenced by all persons in the total situation.

In the day-to-day performance of these functions of management, supervisors play an effective role. In essence, the broadest definition of a Supervisor is "anyone who directs or controls the work of other". The functions of different levels of supervisors, though partly different, are basically evolved on the principles of

management. They differ only in degree and the relative emphasis put on different functions. These responsibilities are constantly developing on supervisors so much so that they have to deal with wide complexities of managerial systems.

Growing Complexity of Supervisor's Job

Successful management has developed a number of good practices both in the technical fields as well as in the field of human relations. The technical practices of management are aimed at increasing *efficiency*. They include the application of principles and specialist techniques for improving methods, establishing standards, reducing costs, designing procedures and redesigning the organisation.

The human relations practices are directed towards *motivating* the employees. They include the application of principles and practices for developing team work, fitting men in jobs, maintaining discipline, building morale, inducting, training developing and evaluating employees as well as resolving the gripes and grievances.

Several of these technical and human relations techniques have to be designed by the specialists in the organisation such as Methods men, Standards men, Procedure Analyst, Job Analyst, Psychologist, Personnel and Industrial Relations men. Nevertheless, irrespective of the fact whether a supervisor gets the help of such specialists or not, he is still responsible for getting work done in the section or unit and, therefore, needs more than just an acquaintance with the various techniques which he must understand and practise so that he can give them a blend, adjust and modify them wherever necessary to meet the specific needs of his department. His essential job, therefore, is to fit together the formal organisation with the informal organisation, work simplification with job enlargement, production with morale, discipline with grievance settlement, men with job, systems with people, delegation of authority with control and motivation and with satisfaction to all.

Job of Internal Management

Despite principles of management as well as the outline of management being available, there are still no clear-cut lines of demarcation between the activities of the middle management which constitute the bulk of supervisory personnel. This group of supervisors in the management team has to fulfil the following obligations:

1. Get production.
2. Reduce costs.
3. Co-operate.
4. Make good decisions.
5. Assume full authority and responsibility.

6. Know and apply company policies and procedures.
7. Maintain high morale.
8. Plan, organize, direct, co-ordinate and control the work of the department, section or unit.
9. Come out with decisions—not for decisions' sake only.
10. Know the union policies and labour laws.
11. Maintain discipline.
12. Train subordinates.

Since the job of management is to get things done, to utilise men, materials, money, machines and methods—the five 'M's—in the most effective manner, to accomplish the objective of the organisation, an essential feature of a supervisor's understanding is that he forms a vital link in the chain of management and, therefore, he needs to know his job, and the principles, practices, and techniques of handling the resources that he is provided. However, since he has to handle with and through other people, he needs specialised knowledge, skills and attitudes in human relations. It is likely that in some types of management work—office, sales and professional work one or more of the M's may not be considered but men have always to be taken into account.

Management in the Future

The phenomenal development in the field of science and technology has given management the tools and techniques which have to be applied constantly conforming to the changes. Accordingly we cannot rest content with a feeling that the study of management is relatively young and, therefore, traditional and standard methods can still be applied. In fact, a great deal of refinement is not only possible but very much desirable. Immature ideas have, therefore, to be re-studied, re-examined and set into new perspectives. The next decade promises to bring an acceleration in the rate of introduction of newer ideas and techniques.

In the light of the trends, a number of factors are evident at present which point out to the probable nature of changes that are bound to take place in the management.

1. *Technology*: It is providing equipment that will not only improve production techniques but also communication and decision-making processes. Sophistication and increasing resort to automation with its continuous production, information systems, data processing and computers will have a great impact on managerial functions.

2. *Mathematical Approach* : These promise to provide means for improving decisions. The advantage and limitations of these provide mathematical methods and will form the subject matter of discussion in the near future.
3. *Social and Cultural* : The position of management in the social and cultural environment is devolving greater demands upon their quality of taking decisions. The increase in size of organisation, attention to the dignity of individual, social pressures towards conformity, increased leisure and accelerated activities are further demanding a change in its way of thinking.
4. *Type of people* : The type of people now entering management will make it possible to do many things which hitherto have been merely hopes. The large number of dedicated personnel will enable management to develop different approaches to its problems. More and more management and supervisory people will have to use their mental faculties to give greater exercise to the brains and leave to the machines the routine and programmed activities.

A major development in recent times has been the systematic education in management which has given newer vistas to managerial dimensions for catering to professional management which has come to stay. As against entrepreneurial management, the functional management is now exercising greater influence and is yielding better results in the complex and competitive nature of the industries. The newer entrants in management and administration have a thorough grounding in the techniques and methods than their former counterparts and the expertise that has enabled them to overcome the inexperience in a shorter time than previously. The generation gap, which now is rated to be five years only, is creating newer pressure and, therefore, forms a pointer to the possibilities and propensities of managerial challenge.

Peter Drucker⁸ who has made forecasts on developments in management has emphasised various trends. According to him, there is going to be a general up-grading of labour, semi-skilled workers becoming skilled and skilled becoming professional employees. He has predicted a de-emphasis of specialists and a greater stress on managers seeing the business as a whole. He also foresees the need for greater education and development and training of managers.

In this context it may appear for a while that the further developments in management are uncertain and are a matter of conjecture and speculation. This is, however, not true, because once it is recognised that there is need for training of managers, making them more flexible in their approach and receptive in understanding, newer challenges, the kinds of skills that will foster the flexibility and imagination will not be difficult to master.

8. Peter E. Drucker, "The Practice of Management" (New York, Harper & Brothers, 1954)

QUESTIONS

1. How would you define Management ? What are its important aspects ? Discuss any one in detail.
2. What constitutes Scientific Management ? Discuss briefly its phases of development.
3. Discuss the salient features of Theory X and Y of Douglas McGregor. Which one do you think is more applicable in supervision ?
4. What are the important principles of management according to Henry Fayol ? Discuss any four.
5. What are the important functions of management ? Discuss the importance of co-ordination in these functions.
6. What are the complexities of supervisor's job ? Discuss any two, by giving your own experience.
7. What are the problems of 'internal management' ? Discuss the supervisory obligations.
8. What do you consider to be the role of future management ? Discuss.

Organisation—Some Fundamentals

In Management Science, three words—Management, Organisation and Administration—are commonly used. At times they are attributed meanings which run counter to the fundamentals because of the confusing character of literature on management methods and partly because of the failure to distinguish among fundamental conceptions. It is not even uncommon to use these words indiscriminately or as synonymous. It may be well, therefore, to define these terms restricting their scope to the fields of activity that they designate rather than the personnel that may be engaged in them.

Management : embraces all activities and functions concerning the establishment of an enterprise; its financing, the designing of major policies, provisions of necessary equipment, the outlining of the general form of organisation under which the enterprise is to operate and the selection of personnel and designating them to perform the several activities.

Organisation : refers to the form and the structural relationships between various factors, taking into account the task of designating the departments and the manpower that are to carry on the work, defining their function and specifying relations that should subsist between various departments and individuals. Organisation as an activity, is in essence a mechanism of management.

Administration : direction includes functions and activities which are concerned with the actual work of executing or carrying out the objectives for which the organisation has been set up. It includes functions such as issuing orders, ensuring that the manpower required is of right standard and trained to operate efficiently in addition to carrying out routine functions necessary to ensure that men, materials and equipment operate properly to achieve the desired goal.

Recognising that organisation refers to the mechanism or structure that enables living things to work effectively, its functioning may be classified into primary and operating fundamentals :

Primary Fundamentals

1. Regard for the aims and objectives of the enterprise.
2. The establishment of definite lines of supervision within the Organisation structure.

3. The placing of fixed responsibility among the various persons and departments within the organisation.
4. Regard for personal equation.

Operating Fundamentals

1. The development of an adequate system.
2. The establishment of adequate records to implement the systems and to use as a basis of control.
3. The laying down of proper operating rules and regulations within the established organisation in keeping with the established policies.
4. The exercise of effective leadership.

Forms of Organisation

Since the basic objective of an organisation is to ensure that the efforts of men and departments are coordinated and integrated for accomplishing tasks in the best, efficient and economical way, several types of organisations have been in existence.

1. Military or line type :

In organisations where efforts of large bodies of people have to be directed, the element of discipline assumes the highest importance. Historically, the most natural form of organisation known is called 'Military or Line organisation'. However, in the present set up, this term appears to be almost a misnomer because even the military systems have been subjected to the same modifying influences as have affected industrial and other organisations.

Under the Line system, the lines of "direction" and "instruction" are vertical and, since the duties and responsibilities of a top executive go beyond his physical and mental capacity he is to be assisted by his deputies and in doing so the principle of delegation and the chain of command have to find their play.

The principal feature of line system is maintenance of 'discipline' and the clear and precise defining of responsibilities so that, misunderstandings do not arise in each manager/supervisor's sphere of activity. This system however, suffers with grave limitations especially because when organisations grow in magnitude, the system invariably tends to load a few men to a breaking point and by implication these few men have to resort to crude methods which run counter to organisation philosophy and the sociological needs. In addition, the system tends to glorify a few individuals for the successes achieved by the organisation undermining the efforts of many.

2. *Functional type:*

This type of organisation was introduced by F.W. Taylor, and is a logical extension of the division of labour to cover departments as well as men. In this system planning is separated from performance since the direction of work is divided by functions rather than by simple authority. In practice, it has been found that functional performance increases ineffectiveness as the work of the departments and that of individuals increases in variety and complexity, and as the technical intelligence required exceeds the capacity of the employee. The principal disadvantage of this system is the weakening of discipline that results from the substitution of several superiors for one. In fact, the question whether a person can serve two masters need not necessarily result in creating confusion, if the scheme is properly applied. And, yet, the fact remains that the conflict of authority frequently does arise and leads to organisational inefficiency. Obviously, therefore, the successful application of the functional system in the long run depends entirely on the characteristics of the people who have to work together.

3. *Line and Staff type:*

In view of the growth in the physical size and the scientific knowledge in organisations it is not uncommon to find that functional system cannot be applied without moderation and taking recourse to the Line type and that is why the combination of these two is called the "Line" and "Functional" type.

A study of sizeable industrial units goes to show that the employment of a large number of specialists as Engineers, chemists, production experts, behavioural scientists etc. have raised new problems in the organisation. These problems can be resolved in two ways: (1) When such specialists are only deployed in advisory capacity without any apparent authority, (2) When the staff department does not function as a 'parallel' to the line organisation or administrative level. This may happen even when the Staff officer may not possess any defined authority because his "advice" is taken as a command even though in principle all orders should pass through the Line.

Basic Organisational Considerations

Since organisation cannot be arranging or combining of resources to achieve the objective with the resources available, the changing concepts of organisation require distinction between the formal, defined and highly structured organisation and the informal personal organisation. Both kinds exist and are necessary. The aim of management should be to develop a formal organisation to take care of the personal

needs of the informal system. This can be accomplished by identifying the tasks in terms of the objectives and by assuming authority and responsibility for each management position.

- (i) Organising in terms of objectives
- (ii) Organising from bottom up and down
- (iii) Balancing the groups
- (iv) Establishing an appropriate span of control.

The problems of organisation do not appear to be complex due to the fact that every enterprise starts with a basic functional set up. The question for the organisation is at what point should it start moving for divisionalisation. Obviously, the functional organisation is a matter of choice when the enterprise is small, and has only one or a closely related group of products. As the size grows, the functional organisation, leads to specialisation, facilitates coordination, is economical, provides operational flexibility and ready projections of outstanding skills of one or a few top people to the primary activities of the enterprise.

Span of Control

The chain of command comes about because one boss cannot do everything himself nor can he keep adding indefinitely to the number of people reporting directly to him. As he directs more and more people, he begins to be less effective because he exceeds his span of control. "Span of Control" is a term meaning "the amount of managing" a person is able to do. It refers to the number of people who report directly to one executive. This is limited by factors such as complexity of work, the amount of work, the importance of work, the competence of the subordinates, the effects of poor decisions, and the availability of staff assistance etc.

Authority and Responsibility

A manager/Supervisor's primary function is to get work done through people and not to do the work himself. Any lack of delegation of authority causes extra effort on his part and in the long run such a person finds that he is doing extra amount of work which otherwise could be done by others. For example, by forcing every subordinate to check with him every detail he simply multiplies his workload many times. And, in due course, he is placed under his own workload and not on the top of it. Contrary to this, by delegating work and the authority necessary to complete the assignment, his workload can be reduced substantially.

Authority is defined as the right to make decisions, give orders and be obeyed in relation to the work assignment. Authority is specified in job descriptions,

policies, procedures, instruction manuals, routine and special instructions.

Responsibility is the obligation to do the assigned work in a suitable manner or to ensure that the work assigned is done in a specified manner by someone else. Generally, the activities which an individual has to do himself are called duties; whereas the word responsibility includes his duties plus those activities which he can delegate to others recognising the fact that responsibilities can be reassigned or delegated but they cannot be relinquished.

Responsibility and authority must co-exist. If a person is responsible for an activity, he must have sufficient authority to carry it out or to see that it is carried out. On the other hand, if a person has the authority or permission to perform an activity or have it performed, he should be responsible for the wise use of that authority. It is upto the top management to decide whether managerial/supervisory activities should be decentralised by delegating authority to the subordinate down the line, or whether authority should be delegated sparingly. If authority is held tightly by superiors, then they have to make a variety of decisions and keep a close check on the work of their subordinates. If everyone tends to be slow to delegate authority down the line, then the organisation has a tendency to grow taller—which has its disadvantages.

Concurrent Authority

In the delegation of authority and responsibility, at times, in order to exercise control over certain operations which may be important, it becomes necessary to give concurring authority. Such delegation of concurring authority is quite familiar with a quality control person who is required to pass raw materials or semi-finished parts before they are moved to the next stage of production. Another example of concurring authority may be when a Manager/Supervisor is required to seek concurrence of the Personnel department before recruiting a new employee, or a purchase agent securing the signature of his manager before making commitment for capital expenditure. In the use of concurring authority, the objective of Management should be to ensure that the staff view-point is incorporated into line operations. It is undoubtedly a "safe" arrangement because operating managers cannot take any extra action. However, this arrangement may lead to slowing down of action in the event the operating people do not agree with the staff. In such situations either of them may appeal to the higher executive who may be responsible both for the line and the staff. These considerations limit the operation of 'concurring authority' and localise its operation to such areas where there is agreement and acceptance between the line and the staff.

Some Guiding Principles

Managers/Supervisors, to ensure effective discharge of authority and responsibility down the line, should follow certain tried practices which would help them to maintain an effective flow of command. These are :

1. Observe the principle of the unity of command; each person should have one boss and should know who that boss is.
2. Assign homogenous tasks; while allocating jobs, ensure that these consist of tasks that call for the same or similar skills.
3. Define the amount and extent of authority and responsibility involved in each job; avoid overlapping.
4. Set up standards of performance so that people know what is expected of them.
5. Set up policies and procedures—policies to guide subordinates in making decisions, and procedures to take care of routine activities.
6. Train subordinates so that they know how to carry out the work effectively and then rely on them.
7. Develop a control system so that work can be checked during performance.
8. Delegate authority and responsibility as far down the line as possible, so that decisions are taken for the accomplishment of the task.
9. Be available to help the subordinates when they get into difficulty.
10. Make use of the 'rule of exception' so that problems which are outside the jurisdiction of one person are passed up the line to the point where there is sufficient authority to solve them. According to the 'role of exception', if the authority to solve a problem does not rest with the junior executive he passes it up again to the next level. If it cannot be settled at that level, because of lack of authority, it is passed up to the level at which the requisite authority rests where it is solved as a routine problem.

Line and Staff Function

Under the present set up of organisation, it is essential that the staff specialists have some experience in the line so that they may know its problems and understand the kind of organisational relationships necessary to its successful operation. A number of organisations have made line experience a pre-requisite for staff work. In most instances, it will be desirable for the staff specialist to spend some time in getting acquainted with the line executives and in finding out their problems before making any recommendations.

Three Relationships

It is of fundamental importance that people in managerial and supervisory positions appreciate and realise that there are not only two relationships in any organisation but three. There are not only *line and staff* relationship, but there are *Line relationship*, *Specialist relationship* and *Staff relationship*. The difference between these three types of relationships can be better understood by indicating the kind of authority and responsibility involved in each one of them.

Line Relationship :

Everyone understands that there are formal relations between the Superior and direct subordinate. The working rule adopted is that 'Line' activities are those activities in the absence of which it is not possible to imagine the organisation continuing even for a brief period. In a manufacturing organisation, these may be characterised as making and selling. All other activities are ancillary to this. However, they are not the basic things which the organisation exists to do. In actuality, the Principle of Authority' has to be expressed through some activity and the 'chain of command', the central skeleton of authority and responsibility, should be built around the delegation of responsibility for the 'Line' activities of the particular enterprise.

Since every organisation is created by the people to accomplish a set of objectives which have a social perspective as compared to purely economic outlook or personal gains or satisfaction, an important factor dominating the functions of an enterprise is to organise the people and the tools with which they work in the most productive manner. Human factors, therefore, permeate all levels in any organisation. Whereas the quantity factor of production may be largely conditioned and controlled by the Management, the task of ensuring optimum output is largely a matter of corporate efforts to which the integrating force is the structure of the organisation.

QUESTIONS

1. What, in your view, are the primary and operating fundamentals of Organisation ?
2. What are the different forms of Organisation ? Discuss any one of them.
3. What is meant by Span of Control ? How should authority and responsibility co-exist ?
4. What are the guiding principles in the delegation of authority and responsibility ? Discuss any two.
5. What are the different types of relationship that exist in an Organisation ? Discuss what is meant by Line Relationship ?

Delegation

Every enterprise, in order to be effective, has to link various positions in the organisation structure to provide a mechanism for integrated co-operative action. The adhesive force which holds the organisation together is made up of delegation and the relationship fostered between various members.

The process of delegation is being increasingly used by managers and supervisors to streamline and make their work productive. It denotes entrusting part of the work of operations or management to others. In a company, the chief executive may delegate his responsibilities to several functional heads. In a Bank, the branch manager may delegate his financial powers to the treasurer. As such, it is essentially the boss-subordinate relationship which has to be worked out by the boss himself.

Essentials of Delegation

In ensuring effective delegations three actions from the pyramid. These may be either expressed or implied,

1. *Assign duties*, that is, the person who is delegating must indicate what work the subordinate must do.
2. *Grant authority*, along with permission to proceed with the assigned work or to transfer to the subordinate certain rights e.g., spending money, or directing the work of other people, to use raw material, to represent the company in the conduct of the business.
3. *Create an obligation* that is, to accept an assignment, a subordinate assuming an obligation of his boss to complete the job.

Duties : By recognising that no delegation is complete without clear understanding of duties, authority and obligation, a manager/supervisor can often save himself of a good deal of anxiety and botheration. These attributes of delegation are like the three legs of a tripod : each depends on the others to support the whole, and no two can stand alone. These may be described in two ways.

First, we can think of them in terms of function: for example, a turner may be assigned specific duties related to his work only. In another case, a first line supervisor may be assigned duties of directing the work of a few operators in the machine shop. Delegation as such, in essence, is the process by which we assign to individuals the activities that they must carry out.

Secondly, we may ascribe duties in terms of results we want to achieve. Accordingly duties have to be defined not merely in terms of "going through certain processes" but in terms of accomplishment. A good job description and delegation of duties in this way adds vitality to the organisation.

Authority

In assigning duties, an important fact which is usually overlooked is the delegation of necessary authority to accomplish the desired results. For example, a turner may be asked to turn out 20 swivel pins, without authority to obtain materials, use of lathe and if necessary calling for a helper. Similarly an advertising executive may require authority to buy space and take other necessary steps if he is to gain his assigned objective of building customer demand for his company's product.

In delegating authority a major source of difficulty which executives/supervisors experience is their inclination to over-simplify authority. Obviously, it is important that we should first understand what kind of authority is within the power of the executive alongside the restrictions that typically fence the authority.

The delegation of authority has become an essential element in any modern enterprise, but this should not be misinterpreted with unlimited power. No executive or someone of lower rank has the power to change physical laws of the universe, the power to compel customers to sign orders or suppliers to sell raw materials. Therefore, the rights that an administrator may transfer are more akin to the word "authorisation" than the term "power". Viewed differently, any executive who may have the authority to hire and fire people in his division, in practice, will have to adhere to several restrictive procedures before he can exercise any of these authorities. In view of these compulsions, people who wish to delegate authority must be very clear 'when to delegate' and in 'what manner to specify' the rights associated with it.

Obligations

These represent the third inevitable feature of delegation. It is more in the nature of a moral compulsion by a subordinate to accomplish his assigned duties. When duties are delegated, a subordinate does not have the option either to do the work or leave it, depending on his convenience.

It is further important to realise that in accepting an obligation an agreement is reached between the boss and the subordinate which is usually implied rather than expressed. By accepting an assignment a subordinate, in effect, commits to do his best to discharge his duties. He becomes accountable for decisions. Obligation viewed in this perspective is, therefore, "an attitude of the person to whom duties are delegated". Accountability rests on the sense of obligation and without this personal understanding and acceptance an enterprise which is a co-operative business may have pitfalls.

In analysing, therefore, the chief features of delegating we have to be mindful about the use of the word "responsibility" because it means different things to different people. Some use it in lieu of "duty", whereas others interpret it as "obligation". However, to avoid this confusion we may better use the word "accountability" as a synonym for obligation rather than the word "responsibility."

Problems in Delegation

A related problem arises when an executive gives an order to someone two or more levels below him. The man who refuses the order is in an awkward position. He can hardly refuse the request of the executive; in fact, he may be flattered to work directly for a top-level executive and may be tempted to cultivate the relationship. But whose work should he do first? If either executive criticised him for not doing a first class job, he finds himself in a tight spot. Also, the executive who has been by-passed always feels distressed because in his view his status and influence over his subordinates has been undermined.

Owing to the confusion that results from by-passing, managers have now started recognising that they should pass orders only along the formal chain of command. Such an arrangement by no means debar direct conversation and visit of the higher executives in a shop or office; indeed, there is much to recommend in favour of such face to face communication. During these meetings, however, the executives have to be careful to preserve the position of their subordinates who must carry the major load to supervision.

Integrated Supervision

All executives and all subordinate employees respond to a variety of influences. Nevertheless, the practice indicates that the matters with which other people may be able to influence the behaviour of an employee, the line boss is usually far more important. Reasons for the over-riding influence of the line boss are often difficult to find. Normally the boss trains and directs an employee as to what he "should

do", or he also authorises what he "may do". He may also assist him in getting necessary materials and enable him to represent "his men" in the organisation; he checks results and initiates corrective action when necessary; he praises, blames, disciplines, recommends changes, and motivates his subordinates. These activities are closely inter-related and they exercise a considerable impact in integrating the conduct of the organisation.

Obstacles to Actual Delegation

Considerable difficulty is detected in the process of delegation particularly when both the boss and the subordinate agree on the desirability of transferring certain duties and authority, but for certain reasons it actually does not take place. A major factor in this hold up comes up because of the behaviour of both the boss and the subordinate. In a realistic assessment of delegation, therefore, the reasons why a boss fails to delegate and why a subordinate fails to accept delegation becomes important. Some of these factors may be analysed as follows :

1. *Some executives having a belief "I can do it better myself"*. Even though he may be able to do better himself, he must reconcile to the need for assigning the job to someone else whose performance will be "good enough". The choice that he has to make should not be between quality of his work and that of his assistant; rather, he should take into account the high level performance if he does work himself against the benefit to the total operation if he devotes his attention to more important aspects of planning and supervision.

2. *"Lack of ability to direct"* is another barrier to successful delegation. Some executives who have keen business judgement are reluctant in telling their subordinates in visualising things which are beyond routine assignments. In such instances the subordinate has to keep on guessing how the boss will like his initiative in the work unless he has himself formulated his ideas. In an instance like this, we have a typical example of a person who wants to delegate, but because he is unable to identify and communicate the essential features of long range plans the subordinate is unable to take necessary initiative.

3. *Lack of confidence in subordinates* : In recognising this cause, the remedy seems to be clear. We may start developing the subordinates by a staff training programme and if this is not possible we may find out another subordinate in whom confidence could be reposed. In practice, however, it is not precisely possible to bring about a line of demarcation. For example, an executive may not be fully aware of his lack of confidence; his reaction may be subjective and he may be

simply feeling uneasy about how someone else will do the job. In a situation like this, the executive will usually pay lip-service to the principle of delegation. But in actual working, he will be reluctant to part with the authority.

4. *Absence of controls* : Since a good executive is sensitive to his obligations even when the work is delegated, he needs a constant "feed-back". He wants to be sure to diagnose the troubles in advance so that he can overcome those. Naturally, if the control set-up fails to keep him informed as he feels he should be—at least on major matters—he will probably be more conscious about delegating.

5. *Temperamental aversion to taking a chance* : Every executive who delegates must be prepared to take a risk because even with clear instructions, dependable subordinates, and selective control, the possibility remains that something will go wrong. Such an executive has to adjust himself emotionally, as well as intellectually to this element of risk without which he will never be inclined to delegate.

Some of the obstacles to a subordinate accepting delegation may be discussed as under :

1. A subordinate normally feels that it is easier to "ask a boss" than to decide for himself how to deal with a problem. Making a wise decision is usually a hard mental work. If a man finds that he can take any challenging problem, with only tentative suggestion, to his boss for an answer, it is natural for him to do so. In addition to being easier, this course has the advantage that in the event the boss does make the decision, the subordinate is less liable to suffer criticism for consequences later.

Good managers/supervisors try to promote this type of habit on the part of subordinates. They insist that the subordinates either take action or at least recommend a fully thought-out solution. In such instances the boss resumes the role of a 'coach'. But in this process he has to be constantly on his guard to ensure that his advice does not undermine the initiative and sense of obligation which he is trying to build on the part of his subordinates.

3. Another factor which may deter a subordinate from resuming greater responsibility is "fear of criticism" for mistakes. He normally prefers to be cautious and tries to 'play it safe' if he has learnt from experience that when he takes on more duties, he is involving himself into risks and embarrassing situations.

3. Most of the subordinates hesitate to accept a new assignment when they feel that they "lack the necessary information and {resources}" to do a good job. This emanates from the fact that he realises that in accepting a new assignment he will have to struggle and take initiative.

4. "Lack of confidence" also stands in the way of subordinates' accepting a delegation. Merely ordering a man to be self-confident will have little effect. In the long run, he will develop self-confidence only out of experience and by overcoming increasingly difficult problems.

5. Positive incentive may be inadequate. Accepting additional duties usually involves mental effort and emotional pressure. If we expect a subordinate to take on additional load enthusiastically, we have to offer positive inducements. These may be of several types ranging from pay increase, promotion, title, status in the organisation, and personal recognition.

Despite a vivid analysis and study of the process of delegation, it still poses a baffling problem in most of the organisations. No delegation can ever be complete and in any case 'in-complete' delegation is never desirable. An understanding of the inherent features of delegating i.e., assigning duties, granting authority and creating obligations; of the distinction between legal and administrative authority; of the importance of clearly defining each obligation and then acting in a stipulated manner by retaining a sense of obligation for duties assigned to several persons will provide an effective aid in creating the chain of command which binds the divisions of work into a unified entity in the organisation.

Relations between supervisors and subordinates are subject to constant adjustment. We should modify the approach to delegation with the work to be done and the people who have to do it. Nevertheless, a large segment of relationships are stable—at least for a period of time. This stability is important. An employee learns what to expect of his boss; the boss learns how much he can depend on each of his subordinates; employees doing related work, learn how to deal with an established hierarchy. Such patterns of expectation are essential if we are to get day-to-day work accomplished smoothly.

In an organisation where delegating has not been done well, and the boss—subordinate relationships are unclear, they become the source of friction and weakening of the unity in the organisation.

QUESTIONS

1. What is meant by delegation ? What are its essentials ? Discuss any two.
2. Discuss the relationship between Duties, Authority and Obligation. What should be their basis in supervision ?
3. What are the important problems of delegation ? Discuss any two.
4. What do you understand by “Integrated Supervision” ? How does it help the process of delegation ?
5. What are the barriers to effective delegation ? Discuss any three.
6. In what way the attitude of avoiding taking a chance hampers the process of delegation ? Discuss on the basis of your own experience.
7. What are some of the obstacles to a subordinate in accepting delegation ? Narrate your own experience.

Decision-Making

Every undertaking involves a complicated pattern of decisions from broad decisions about the objectives of the enterprise to specific decisions about day to day processes. It was Bernard's* pioneer volume, 'The Functions of the Executive' which made this subject a primary object of research. He stated that a discussion of policies, plans, and decisions, without reference to specific decisions, is abstract and philosophical, but an understanding of the decision-making process may be one of the most practical things.

Human beings try to be purposive; that is, they are guided by general goals. A group of people in a cooperative effort retain their own personal goals, aims, and purposes, but in addition, their joint action must be guided by the basic objective of the group. There is hierarchy of objectives of the group (company, department, or other subdivision).

Managerial Functions and Decision-Making

In analysing the five functions of management, planning, organising, staffing, directing and controlling, we find that each one of them involves decision-making. Planning, for example, is in itself a decision-making process. In planning, we choose between alternatives, and in selecting one particular course of action we "decide" to eliminate other proposals. Similarly, in organising, we "decide" which activities should be grouped, who should be in charge, and what type of authority should be employed. In the same fashion, when employees are recruited and their efforts directed, the decision-making process comes at work. A manager/supervisor must "decide" whom to employ or to promote or how best to direct them and lastly the 'controlling function' becomes meaningless without decision. Control implies a "decision" to check and see if original plans are being complied with, and if not, a "decision" must be made as to what action needs to be taken.

Types of Decisions

Since decisions pertain to all facts of enterprise functioning, production, distribution, engineering, personnel and the like have to be organised in the framework of

*Chester I. Bernard, 'The Functions of the Executive', Cambridge, Mass, Harvard University Press, 1938.

company policies, personnel practices, control procedures, engineering functions etc. Truly speaking, the authority to decide is the authority to manage. In fact, much of management can be defined only in terms of decision-making.

A decision is a course of action which is consciously chosen for achieving a desired result. The manager/supervisor must determine the choices available to him. He must do more than merely choose among several pre-determined alternatives; he must determine what possible actions are reasonable; he should investigate the proportionate results of the alternative course of action before he makes the decision.

Two schools of thought have developed round "decision making". One is the analytical approach which includes determining the problem, listing and evaluating the alternatives and selecting and instituting the best alternative. The second approach is somewhat more formal, covering Mathematical and Statistical models, Business Gaming and Queuing Theory, Linear Programming, etc.

Nature of Decision-Making

Literally speaking "to decide" means to cut short, to cut off. However, in practice, it connotes reaching to a conclusion, or of making up one's mind. This, of course, implies deliberation and thought making. In contrast, when a decision is a natural reaction or an unconscious act, it is not truly a decision but would more properly be interpreted as habit or reflex act. Accordingly we can define that decisions are the result of a conscious effort on our part to arrive at a conclusion. They are not mere reflex reactions or habits.

In addition to being a conscious act, decision-making involves selection of a course of action from a group of alternatives. As such, in a particular situation when no alternative is possible, a decision would neither be possible nor required. If, for example, "nothing" can be done in a particular situation, then a decision as to what to do is not required. If, on the other hand, we have two courses of action open to us (to take action or to do nothing), then clearly a decision would be required.

Viewed in the above perspective, "decision-making process is a conscious, intellectual activity, involving judgement, evaluation and selection, from several alternatives".

Steps in Decision-Making

In the process of decision-making, in actual practice a decision is only as good as the methodology used to reach the decision. It is, therefore, necessary for a manager/supervisor to be well grounded in the methodology of decision-making which follows the following sequence :

Strategy : Strategy involves a time dimension. A policy decision today limits the choices available tomorrow. Some decisions are irreversible, while others may be reversed when the appropriate opportunity arises. For example, at one time one organisation adopted a policy of simplification of lines, drastically restricting the number of designs. This policy made possible a reduction of manufacturing cost and a concentration of selling effort on the limited lines. However, in due course, this policy so strengthened the company that at a later stage it was possible to take advantage of the company reputation and diversify its products entering new product ranges.

Methodology : The mental process by which a manager arrives at his objectives and policies. Individual decisions or strategies are an essential part of the study of management. The success of various functions of management lies in decision-making. When we seek various experiences by solving business cases or we operate in an actual business firm, we are constantly solving problems. Many writers have dealt with decision-making methodologies, with the steps necessary for reaching a decision. Whereas any such steps may be an oversimplification, it may still be worthwhile to break down the process into :

1. Analysing the problem in the prevailing situation.
2. Defining the problem.
3. Analysing the available alternatives and probable consequences thereof.
4. Selecting the best solution.
5. Implementing the decision.

Time Element : There are, of course, many occasions when a problem or course of action can be decided only after a great deal of time and thought. But in most everyday matters, a few seconds, or a few minutes' thought and reflection are enough for a person to reach a conclusion.

Fears in Decision-Making

The reason why many people are indecisive is fear of having to assume responsibility for the choices they make. But, unless a person is able to make up his mind without undue anxiety, it is impossible for him to achieve any real peace of mind, happiness or success. The following rules could help to overcome the common fears that enter into decision-making.

1. An executive is bound to make a wrong decision occasionally : So, what ? As the British statesman Gladstone remarked, "No man ever became great or good

except through many and great mistakes". Therefore, forget your mistakes. but never 'what they teach you'. They are your best instructor.

2. Whenever you find yourself hesitating unduly in arriving at a decision, ask yourself, "How important to me or other people is this matter? Take as objective and impersonal a viewpoint as possible. If the matter is really an important one, take time to think it over and consult others if you think they can help. But, if the problem is minor one, take a decision and then forget it. Any reasonable action is better than none.

3. If you are inclined to worry and stew over your decision afterward, remember that the tension you feel will disappear with time. Comfort yourself with the thought that you have added to your stature mentally and emotionally by taking action yourself instead of avoiding the issue by procrastinating or passing the buck.

4. Never forget that others will judge you (and you, therefore, should judge yourself) by the long-range, overall accuracy of your decisions, not by each isolated instance. While patience, tolerance, and understanding may be the key to getting along with others who just can't make up their mind, they are not the key to getting along with yourself, particularly if you tend to be indecisive.

The only intelligent attitude to overcome indecisiveness is to develop determination. It may not be possible to overcome it completely because, as one writer observed, "*It does not take much strength to do things, but it requires great strength to decide on what to do*". It is only by putting forth constant and continued efforts and conforming to the process of decision-making that any manager/supervisor can make up his mind as to when and what he should do.

Managing business refers to a variety of needs and goals. It requires judgement, making it possible by narrowing the range and the available alternatives, giving it clear focus, a sound foundation in facts and reliable measurements of effects and validity of actions and decisions.

Need for Creativity

Planning that adds some new and useful element is 'creative'. Every invention of a product, process or machine contains some creative element. Advertisers strain to make their display and slogans new and original; sales executive have to think of new markets, shopping centres, or new packages or merchandise. Its need permeates all socio-economic activities viz., medical science, development of atomic

energy and the discovery of new forms of arts—such as literature, music, painting etc.

Because of such widespread opportunity and need for creative thinking, it is important for a manager/supervisor to decide whether this quality can be developed by him and encouraged in his subordinates. As with other abilities, some individuals have a greater element of creativeness than their colleagues. Such an individual may be more speculating on how to change prevailing practices. He is, therefore, likely to produce more original ideas than his counterpart who may be a steady going, imaginative or a conservative individual, one who looks on change as something to be endured rather than courted. Nevertheless, manager/supervisors with reasonable creative ability are by no means rare. Much of the work is decision-making involves creativity and progress itself is evident of it.

Conclusion

It is now well established that no longer resources limit the decisions. In fact, it is the decisions which make for the resources. Further, good decisions do not just happen. They must be developed by good analysis, study, understanding and evaluation.

In decision-making, the first essential is to define the problem. This requires a thorough and careful diagnosis. If we do not know what we are trying to solve; we cannot render a rational solution. Even though this may sound elementary, it is surprising to observe the number of individuals who are constantly struggling with a large number of facts without recognising that they are not aware of the specific problem nor of their immediate objectives.

Once the problem is defined, the next logical step is the assessment of the situation. Ask a few interrogatory questions, such as, what is involved? We must gather and analyse the related facts. However, one thing we must not overlook: that is, we should be aware of our personal bias.

When a manager/supervisor has fully realised these aspects, it will not be difficult for him to measure the situation. In fact, he will be confident that he must make decisions which may be contrary to his bias.

The decision maker, to find out the effectiveness of his decision, must answer the question whether or not his alternative are adequate both in number and in magnitude, considering the situation. Having formed this, the manager/supervisor may conveniently evaluate the consequences of employing each alternative—clearly

determining and assessing to the best of his ability the probable outcome of each alternative and its impact or effect on the operating enterprise and its employee. Finally, he should choose one alternative which he must and make a decision.

QUESTIONS

1. What is the relationship between managerial functions and decision-making? Discuss.
2. What is meant by decision-making? What are the various types of decisions which affect every industry? Discuss any two.
3. What steps should be followed in the process of decision-making? Discuss one of them in detail.
4. What are the general fears inhibiting the process of decision-making? How can supervisors overcome these?
5. What is meant by creative thinking? How does it influence decision-making?

Supervisor's Role in Management

The functions of different levels of supervisors are essentially the same as those of higher management. They differ only in degree and the relative emphasis put on different functions. For example, a supervisor usually spends more time in directing and controlling, while the higher management does more on planning, organising and coordinating.

The responsibilities of a supervisor may be classified into three major areas:

- (i) Job skills
- (ii) Job Management
- (iii) Man Management

In the field of job skills are included all the factors of job know-how, i.e., production techniques, machine operations, blueprint reading or related skills.

In the field of job management are included supervisory responsibilities which have assumed greater significance because of a gradual shift in the entire perspective from "no supervisory responsibility" to "complete supervisory responsibility." This transition has come about because of a growing recognition of the fact that supervisors are a part of management.

The third phase of supervisor's job, i.e., man management, relates to training and handling of people and represents a change in emphasis. Since a supervisor gets work done through people, he must spend most of his time training and developing his subordinates. If personal problems arise, the best place for him to resolve them is at the source. The supervisor has, therefore, to become a qualified instructor who can handle the variety of problems, grievances and work out corrective action required for fulfilment of work schedule.

In the light of experience gained in handling these matters, certain methods have been developed and it has become essential for every supervisor to be conversant with these methods, if he is to keep his group operating at peak efficiency.

Founts of Good Supervision

Supervisors in modern management are in essence managers. As managers they have to be aware of the principles of good management and be able to apply these principles to the daily problems.

In accomplishing the objectives of management, a supervisor is required to emulate and perform functions which are determinants of his success. These are classified into 8 broad areas:

Ability to Develop an Organisation

A supervisor's value, in proportion to the usefulness of the group of people whose efforts he directs, rests on his ability to establish and maintain an effective organisation that meets current needs and adapts itself to changing requirements.

In furthering these obligations, a supervisor has to check his past judgement in selecting men to fill jobs.

If performance has measured up to expectations, you may find some good rules for the future: if not, ask where the man failed, where you failed, and guard against repeating the mistake. Analyse the jobs performed by your group in order to provide a basis for building a well-balanced, complete organisation. Study the aptitudes well represented and well adapted to routine production and, wherever possible, to extraordinary requirement. Since requirements continually change, you must look ahead and ensure that your organisation adapts itself to the new situations that it must face.

Personal Leadership

Personal leadership in developing subordinates to maximum efficiency, enthusiasm, and team work gives a team the extra punch that produces recognisable results.

So essential is personal leadership to good supervision that some supervisors, well equipped in this respect, have compensated for deficiencies in other factors. The term "Leadership" though broad and hard to define, involves selling, planning and teaching. It is necessary for you to sell yourself to your team to win both respect and friendship. By your actions and attitudes, sell the aims and ideals of your own organisation and develop an enthusiastic team. Plan the team's work in such a way that you are pointing out a path to follow, Teach team members the things they need to know, developing the fullest potentiality of each one. Do everything to ensure enthusiasm, loyalty, hard work and courtesy.

Ability to Plan Work

Merely enthusiasm in a team is ill-spent unless the supervisor has the ability to analyse and schedule routine and emergency work with efficiency and with a long-range view-point.

Although all workers are expected to do some advance thinking, planning is essentially a supervisory function. A small amount of time spent in planning or advance thinking on supervisory problems is well repaid when the time comes for a job to be done.

Outline the goals and activities of your entire group on a long-range and day-to-day basis. Then plan each job, step, from assignment to completion. But don't forget to plan your personal time and activities so that you can discharge all your duties without neglecting to do things (including long-range planning) expected of you. Simplify and systematise all routine operations so that time is saved each day and week and month.

Remember, that supervisors are often made or broken by the way they handle special assignments—a routine job or one that is highly important. If you have your routine work under control, you can still do a fine job in completing the special assignment.

Technical Knowledge

A supervisor needs adequate knowledge in his present work and capacity to gain additional knowledge for new and more important work so that he has not to regret or apologies for lapses.

Those who know only yesterday's methods are often out of date. Even if you are an old-timer, you can still learn new methods. Set aside a definite time for increasing your knowledge by reading technical journals and books. Only half an hour a day for a year is equal in time to 3-1/2 work weeks: 1 hour a day equals 7 weeks of 8 hours-a-day study. Minutes are precious. Have participation in the nature of evening classes or by attending worthwhile lectures and by participating in the activities of professional bodies.

Cooperation in Executing Company Policies

As a supervisor, you must understand, explain, and secure adherence to company policies and procedures, suggest procedures for making them more effective.

Be genuinely interested and thoroughly familiar with the department and the company; know the approved policies and the reasons behind them. Attempt sincerely to apply these policies in your group whether you favour them or not. If you disagree with a policy, it is more profitable for you to make a constructive suggestion than to indulge in futile grumbling. Place the good of the organisation above your own immediate interests; it pays in the long run.

Above all, do not keep your men in dark. Help them to understand every phase of organisation policy that affects them. If you can't explain fully, find out the answers.

Judgements and Decisions

To keep the team "clicking" smoothly, a supervisor must exercise sound judgement and make prompt, effective decisions.

As a basis for sound judgement, be completely informed on the problems of your workers and management and on those that face you in the management of your group. Study these problems from every possible viewpoint. Dig deeply for all related facts. Classify and arrange the facts and turn them over in your mind until a complete analysis has been made. When you think you have the answer, do not jump to the conclusion that it is the correct one just because it sounds good. Test your solution thoroughly. Review and analyse. What decision would you make if you were in the boss's position? How would you accept that decision if you were in the worker's position? How will your decision affect accounting, engineering, manufacturing, sales, customers, etc? If you have gone through this reasoning process without skipping any steps or allowing yourself to be influenced by your personal feelings or preconceived notions, you are ready to crystallise your decision. Often you are expected to make a speedy decision without enough time to make a detailed study of the problem. Your ability to exercise sound judgement in making such decisions is enhanced if you have become thoroughly familiar with company policies and practices.

Acceptance of Responsibility

A good supervisor willingly assumes full responsibility for successful completion of work supervised. However, he must avoid leaning too heavily on the boss, and in any case being a "Yes" man. If two people in an organisation always agree, one of them is unnecessary. Could it be you?

Be sure you have definite, clear-cut outline of your duties and responsibilities; then seek added responsibilities that make you more valuable to the company. Be willing to take more blame for failures than to praise or success.

Constructive and Independent Thinking

Ability to originate and develop ideas intelligently and make constructive suggestions and improvements is one of the most important factors in good supervision.

You would hardly be satisfied with the job you have done, if at the end of a year the best you could say was, "well, the operation is no worse than it was when I started". The progress of your group and company depends on the development of new ideas, new methods, new goals, based on constructive and independent thinking. Thinking independently is refusing to be tied down to past or present methods and policies. Thinking constructively takes into consideration established precedents and weighs the advantage of departing from them against the value to be derived from a new idea. Constructive thinking is disciplined thinking, directed along channels defined by overall and immediate objectives of a group, a department, or a company.

When you have a bright idea, define clearly the value that it will bring to the group or the company. Then think little more and see if the same value can be obtained with a change that is simpler or less radical. You will find that critical analysis of your own ideas will reduce criticism on the part of those to whom you have to sell; on the contrary it will enable you to get results more quickly.

Satisfaction—Its Basis

It is obvious that wages received are a direct reason why most of us work. But this is true only because money buys us satisfaction in the form of necessities and/or luxuries of life and because it is tangible evidence of recognition and a source of personal pride. Wages, however, cannot buy or measure the satisfaction received in clicking a tough job or in seeing the product of one's ingenuity and effort. Nor can wages entirely compensate for lack of satisfaction with working conditions, personal relationship on the job, or living conditions outside the job.

The total satisfaction a person obtains from his job is the real yardstick of its value to him. Total job satisfaction depends, not only on the money received, but on satisfaction that results from the attitude and efforts of the employee himself, his colleagues, his supervisor, and the management. It may be expressed as a formula:

Total job satisfaction = (Satisfaction from money) + (Satisfaction added by the worker and fellow employees) + (Satisfaction added by supervisor) + (Satisfaction added by the management)

The plus satisfaction, above and beyond that obtained from wages, may take the form of such things as pride in work, congenial associates, pleasant surroundings, good working conditions, good supervision, opportunities for training and advancement. These things, many of which are controlled or influenced by the supervisor

are incentives that lead to efficiency since they determine how hard an employee is willing to work and how well he does his assignments.

The supervisor who wants his team to get to production helps each worker individually achieve at least some of the plus satisfaction. He endeavours to eliminate or overcome minus quantities or dissatisfactions which result from lack of friendly encouragement, from unsuitable work assignments, from lack of friendly cooperation or from similar causes.

Good organisations have done a commendable job in building good employee relations by introducing personnel services, pension plans, training programmes, and the like. These are provided, not out of "goodness" of somebody's heart, but because of realisation that these things add to job satisfaction and means greater efficiency. They are meant to provide added satisfaction; not to take the place of intelligent supervision and effective leadership.

It is, therefore, important that a supervisor knows what specific job satisfactions are sought by each member of his team. He can then take steps to provide these incentives and use them in producing more and better work. Broadly speaking, are four things which influence employees to develop a sense of belongingness to a team:

1. Job security (the security that comes from the security of employment at reasonable wages)
2. Chance to advance
3. To be treated with justice and fairness
4. Feeling of dignity and responsibility.

The last three items depend, to a large degree on the attitude of the supervisor. If he satisfies the employee in the three desires over which he has considerable control, many of his problems will be non-existent. Even in the case of job security, the supervisor contributes substantially, since security depends on an individual's ability, which is often determined by the extent of his training and the opportunities for development.

Chance to Advance

Ambition is a characteristic of people. It is a desire which a supervisor can utilise to the utmost. The better jobs are awaiting those who are determined to become capable of filling them. In training his men for these opportunities, a supervisor can do the following:

1. Emphasise that advancement depends upon the way a person handles his present job; that is, on the quality of work, quantity of work, and the employee's attitude.
2. Point out the possible path of promotion, with emphasis on the next step.
3. Encourage outside study which will help the employee in doing better in his present job as well as provide a basis for advancement.
4. Instruct the employee properly in the specific things he does repeatedly in his daily work.

In doing these things, the supervisor is helping himself, as well as his men. Supervisors often miss a chance for promotion because they have not trained someone who can take up their position. On the other hand, many supervisors have been promoted because they have demonstrated the ability, not only to build an efficient organisation but to develop men who contribute to the growth of the organisation.

“Just to be Treated Like People”

Since the supervisor is the representative of management and is that person who has utmost contact with employees, it is up to him to display friendly interest and enable them to realise that they are needed.

It's no wonder that people seek his friendly interest. Working 8 hours or more a day, an employee spends a major part of working hours on the job. Hence, if his supervisor is sarcastic, disinterested, or otherwise unfriendly, the employee loses some of his zest for work.

Even without applying rigid formulae, it will be all right if a supervisor knows his team and appreciates their abilities and ambitions, then lets genuine friendliness take its natural course. Such an intimate knowledge of his subordinate's abilities will emphasize for the supervisor that each person is an individual case. Each will respond best to supervisory actions that are tailored to suit his individual situation.

As an example, let's take the general rule of “give credit when due”, which is considered to be a good fundamental principle for supervisors to follow. Just what does it mean? Should a supervisor praise everything the employee does? Certainly, not. Should a man have praise for performing a difficult assignment? Perhaps he, is paid well for doing just that kind of work and doing it the right way.

A new worker, or a sensitive one, or an introspective one may have a strong desire for frequent encouragement and praise. The same treatment, however, may

have no effect on the extrovert or “sales” type of person who is not so sensitive to the criticism or praise of his fellow men. An ill-considered praise would probably irritate the highly skilled worker who prefers recognition in the form of added responsibility and authority rather than fine words. Other individuals might become self-satisfied or conceited by too much commendation. Nine out of ten people, however, will react favourably to some form of praise, and the average supervisor is lax in making use of this incentive.

Perhaps it would not be well to follow too literally the golden rule, which states “Do unto others as you would have others do unto you”. The rule might get you into trouble since your personality and that of the other fellow are probably quite different. Something that will spur you on to intensive effort may be the very thing that will annoy someone else with a different temperament. In supervisory leadership we may apply this golden rule with slight modification, viz., “Do unto others as you would have them do unto you if you had the same personality and were in the same position as the other person”.

Feeling of Dignity and Responsibility

Many people prefer to work in a professional field or on “white-collar” jobs because of the dignity and responsibility which they feel are associated with such work. To do this, they are often forced to accept lower salary which is another indication of the fact that money alone is not enough.

Dignity and responsibility can be part of any job when the supervisor realises their importance. Do you, as a supervisor, do these things which raise the employees’ feeling of self-importance?

1. Make everyone feel that he is a vital member of the team and that his work is needed to make the team successful?
2. Encourage suggestions from employees and put them to use wherever they are feasible?
3. Delegate full responsibility for a definite piece of work, no matter whether it is a comprehensive job or just a detail?
4. Delegate authority commensurate with responsibility?
5. Give an employee opportunity to satisfy his creative urge to do something worthwhile?
6. Make every attempt to allocate the kind of job in which the employee can excel?

7. Explain the final use of a job, the reason why, so as to stimulate interest?
8. Inspire loyalty to the team and to the company?
9. Assign enough work so that no one has to sit around waiting for a job?
10. Plan your work, and know what you want, so that you do not need to change your mind when the employee has nearly completed an assignment?
11. In a nutshell, do you have a sincere appreciation of the importance of every member of your team and modest evaluation of your own position?

Modern supervisor's job is a more challenging one, requiring not only technical proficiency but greater tact and understanding. The newer techniques not only call for emulation of newer skills, development of newer ideas and their application, but corporate effort to overcome pressing challenges with courage, confidence and conviction.

QUESTIONS

1. What are the major responsibilities of a supervisor's job? Discuss their relative importance.
2. What are the elements of good supervision? Discuss any three.
3. What are the essential requirements of job management? Discuss.
4. What is meant by Man-managements? Discuss the various steps in management and how these help supervisory job?
5. What is the importance of "Job Satisfaction"? What are the steps to it?
6. How can feelings of dignity and responsibility be inculcated among employees? Discuss any four.

BIBLIOGRAPHY

<i>Sl. No.</i>	<i>Title of Book</i>	<i>Author and Publisher</i>
1.	Principles of Management	L. J. Kazmir—McGraw Hill Book Company, New York
2.	Fundamentals of Management	International Co-operation Administration—Washington
3.	The Process of Management	H. Newman & Charles E. Summer—Prentice Hall of India, New Delhi
4.	Supervision in Business & Industry	Robers B. Lokcut & Earl P. Strong—Funk & Wagnalls Company, 153 East, 2411 Street, New York-10, N.Y.
5.	Management Analysis, Concepts and Cases	Haynes and Massie—Prentice Hall of India, New Delhi.
6.	Management in Industry	Charles S. George Jr,—Prentice Hall of India, New Delhi.
7.	Principles of Industrial Organisation	D.S. Kimlal—McGraw Hill
8.	Institutions, Organisations and Mass Society	Don Marfindale, University of Minnesota Houghton Millin Company, Boston, USA
9.	Essentials of Management for Supervisors	Broaded C.H.—Harper, New York.
10.	Perspective Management and Supervisors	H.W. Heper—Prentice Hall Inc. Englewood Cliffs, N.J.
11.	Supervisory and Executive Development	Main N.R.F. & others—John Wiley, New York.
12.	Selecting and Developing First-line Supervisors	Halsey G.D.—Harper, New York.
13.	Supervisory System and Supervisory Training in Japanese Industry	Asian Productivity Organisation, Japan.
14.	Communication in Supervisory Management	H. Company & W. Bennett—T. Nelson & Sons Ltd., London.
15.	Managerial Performance Standards	V.K. Rowland—A M A, New York.

Management Guides

Development of Managerial and Supervisory skills is a must today for improving the productivity of an organisation. The Management Guides brought out by NPC are designed to be of help to managerial personnel as well as students of management who wish to have some basic understanding of the science and practice of management. The titles in this series are :

- | | |
|-------------------------------------|---|
| 1. Organisation | 13. Personnel Management |
| 2. Productivity and Economic Growth | 14. Human Relations |
| 3. Supervisor's Job | 15. Communication |
| 4. Method Study | 16. Preventive Maintenance |
| 5. Work Measurement | 17. Wage Administration |
| 6. Inspection & Quality Control | 18. Discipline in Industry |
| 7. Waste Control | 19. Safety & Good Housekeeping |
| 8. Inventory Control | 20. Plant Layout and Materials Handling |
| 9. Production Planning & Control | 21. Storekeeping |
| 10. Cost Control | 22. Financial Management |
| 11. Industrial Relations | 23. Incentives |
| 12. Management | 24. Office Supervision |
| | 25. Cost Reduction |

Price Rs. 8.00/- U.S. \$ 4.00 each. Packing & Postage Charges Re. 0.50 per copy. Registration Charges extra. Books can be sent by V.P.P. also.

NPC Periodicals

PRODUCTIVITY (Quarterly)

Research-based journal providing techno-managerial expertise (Annual Subscription: Rs. 40.00 U.S. \$ 20.00)

ENERGY MANAGEMENT (Quarterly)

Journal disseminating critical data, relevant information and technical studies on the production and utilisation of various forms of energy (Annual Subscription : Rs. 40.00/- U.S. \$ 20.00)

PRODUCTIVITY NEWS (Monthly)

A stimulating and informative monthly highlighting productivity programmes and activities (Annual Subscription : Rs. 18.00/- U.S. \$ 9.00)

MAINTENANCE (Bi-monthly)

Journal depicting new features on maintenance and repair, tribology, corrosion control, signature analysis and condition monitoring maintainability and reliability, product design, material handling (Annual Subscription : Rs. 45.00/- \$ 22.50)

UTPADAKATA (Monthly)

An informative Hindi journal specially devoted to the development of workers and supervisors (Annual Subscription : Rs. 6.00/- U.S. \$ 3.00)

Complete Catalogue of NPC publications can be supplied on request :

Place your orders with :

The Director (Business Management & Publications)

NATIONAL PRODUCTIVITY COUNCIL NEW DELHI - 110 003

ADDRESSES OF NPC HEADQUARTERS/REGIONAL DIRECTORATES/
REGIONAL OFFICES/TRAINING INSTITUTE/SUPERVISORY
DEVELOPMENT SECTION/SUB-OFFICES

HEADQUARTERS

National Productivity Council

"Productivity House"

Lodi Road, New Delhi-110003

Phones : 611055, 617646, 618807, 618731, 618773, 617796

REGIONAL DIRECTORATES

- AHMEDABAD** : No 3, Brahmin Mitra Mandal Society, Sheth Mangaldas Road, Ellisbridge, Ahmedabad-380006 Phone : 445567
- BANGALORE** : 11, Lady Curzon Road, Bangalore-560001
Phones : 52240, 54425
- BOMBAY** : Novelty Chambers (7th Floor), Grant Road, Bombay-400007
Phone : 371322
- BHOPAL** : E 5/112, Arera Colony, Bhopal-462016 Phone : 64073
- CALCUTTA** : 9, Syed Amir Ali Avenue, Calcutta-700017 Phone : 446069
- CHANDIGARH** : 1037, Sector 27-B, Chandigarh-160019 Phones : 20361, 22871
- DELHI** : No. 13, "Deepak Building" 3rd Floor, Nehru Place, New Delhi-110024 Phone : 681606
- GAUHATI** : Zoo Road (West,) Gauhati-781003 Phone : 87750
- KANPUR** : 7/155, Swarup Nagar, Kanpur-208001 Phone : 41639
- MADRAS** : 40, Montieth Road, Egmore, Madras-600009
Phones : 89414, 87914
- PATNA** : 136-D, Sri Krishnapuri, Patna-800008 Phone : 62311

REGIONAL-OFFICES

- BHUBANESWAR** : 4/7, Surya Nagar, Bhubaneswar-751001
- HYDERABAD** : 5-9-12/C/6th Floor, Samrat Complex, Hyderabad (A.P.)
- JAIPUR** : C-125, Dayanand Marg, Tilak Nagar, Jaipur
Phone : 63142

SUB-OFFICES

- SIMLA** : MIG Flat No. 6A/4, Housing Board Colony, Jakhoo, Simla-171007 Phone : 2076 PP
- SRINAGAR** : Bait-ul-Zafar, Raj Bagh Extension, Srinagar-190001
- TRAINING INSTITUTE** : Training Institute for Productivity and Industrial Engineering (TIPIE), NPC 6, Manikeswari Road, Kailpauk, Madras-600010
Phone : 666191
- SUPERVISORY TRAINING** : Director (Supervisory Development) National Productivity Council, 2, Dr. Alagappa Chettiar Road, Madras-600084