



ORGANISATION

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Concept of Organisation

- Organisation may be defined as the process of
 - Identifying and grouping the work to be performed
 - Defining and delegating responsibility and authority
 - Establishing relationships for the purpose of enabling people to work most effectively together in accomplishing objectives.
- Organisation is the pattern of way in which large number of people engaged in a complexity of tasks, relate themselves to each other in systematic establishment and accomplishing objectives.

Importance of Organisation

- Sound organisation can contribute greatly to the continuity and success of the enterprise.
- **Facilitates Administration:** A properly designed and balanced organisation facilitates both management and operation of the enterprises; inadequate organisation may not only discourage but actually precludes effective administration.
- **Facilitates growth and diversification:** Sound organisation permits organisational elaboration.
- The organisation structure can profoundly affect the people of the enterprises. Proper organisation facilitates the effective use of the manpower.
- **Stimulates creativity:** Sound organisation stimulates independent, creative thinking and initiative by providing well defined areas of work with broad latitude of the development of new and improved ways of doing things.

Importance of Organisation

- **Optimum use of resources:** Sound organization structure permits optimum use of technical and human resources. The organization can introduce latest technological improvement e.g. computers, machines etc. It can also make optimum use of human efforts through specialization, by placing right person in the right positions etc.
- A sound organization leads to **specialization**.
- A sound organization minimize **corruption** and inefficiencies.
- A sound organization does not generates **confusion**. There is less wastage and expenditures.
- A sound organization facilitates the **training** and **managerial development** of personnel.

Characteristics of Organization

- Organization is the group of people, small or large.
- The group work under the executive leadership.
- Organization is the tool of management
- It leads to division of work and responsibility
- It establish a relationship between authority and responsibility and control the efforts of the group.
- Organization is the step towards the achievement of establish goals.

Elements of Organization

- Well defined objectives
- Well organized and coordinated group of people.
- Proper division of work and labour
- Clear and well defined policies and procedures.
- Proper division of authority and responsibilities.
- An effective system of communication.

Organization Theory

- Organisation theory may be defined as the study of
 - Structure
 - Functioning and
 - Performance of organization
- AND
- The behavior of the groups
 - Individual working in the organisation