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Tiruchirappalli- 620024,

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Programme: M.A.,HUMAN RESOURCE MANAGEMENT

Course Title : Principles of Management

Course Code : 22HRM1CC1

Unit-II

Planning and organizing

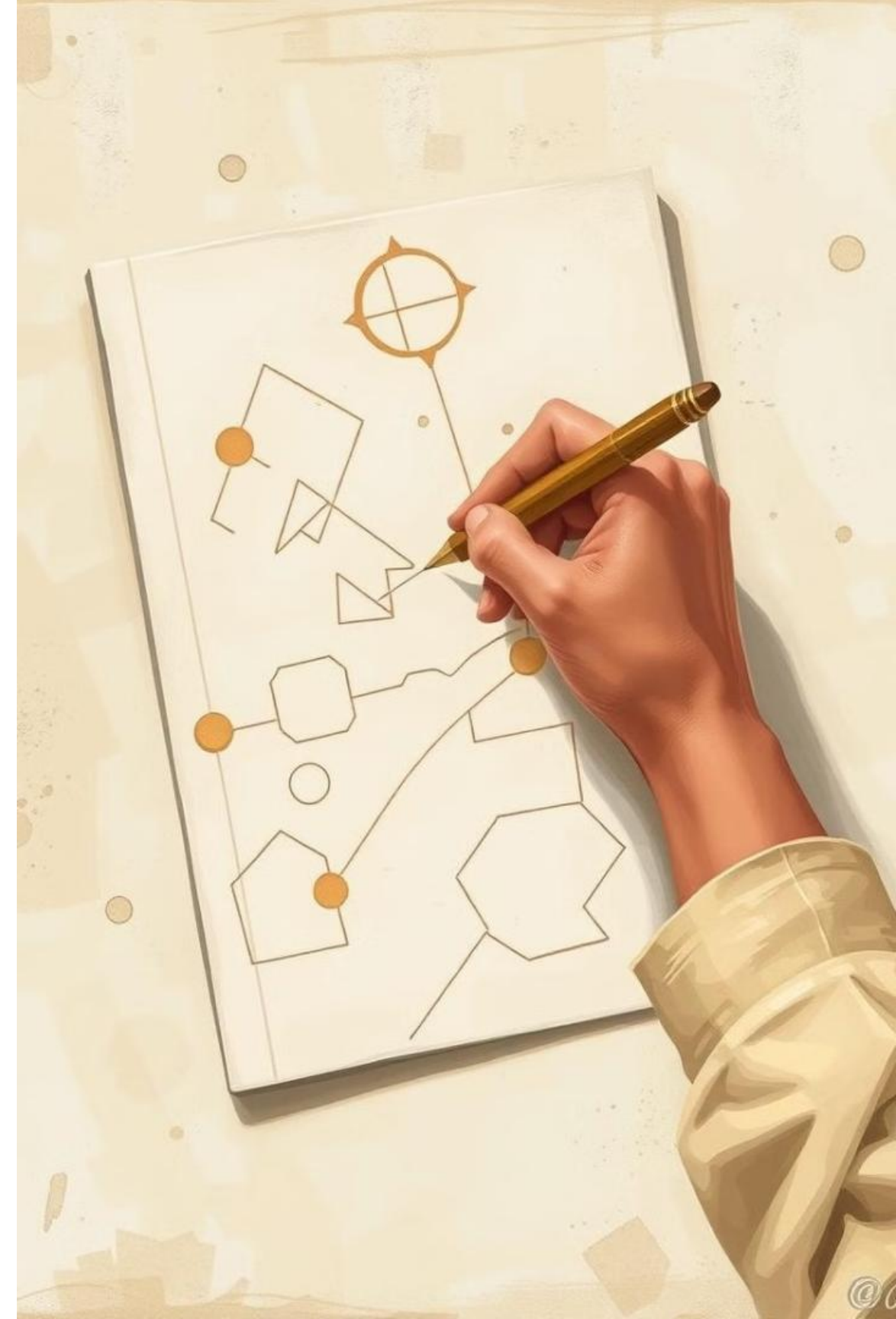
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Planning & Organizing

Planning and organizing are fundamental aspects of any successful endeavor, whether it's a personal project, a business venture, or a complex operation. Planning provides a framework for achieving goals by outlining steps, resources, and timelines. Organizing, on the other hand, involves structuring and coordinating these elements effectively to ensure smooth execution and efficient utilization of resources.



Meaning/Definition

Planning can be defined as the process of setting goals, outlining strategies, and developing a course of action to achieve those goals. It involves identifying objectives, considering potential challenges, and allocating resources effectively. Organizing, on the other hand, refers to the process of structuring and coordinating resources, tasks, and people to facilitate the implementation of the plan. It involves creating a system of roles, responsibilities, and processes to ensure efficient workflow and communication.

Planning

Setting goals, outlining strategies, and developing a course of action.

Organizing

Structuring and coordinating resources, tasks, and people to facilitate the implementation of the plan.





Importance

Planning and organizing are crucial for several reasons. They provide a roadmap for achieving goals, ensuring that everyone is aligned and working towards a common vision. They help to minimize risks and uncertainties by anticipating potential challenges and developing contingency plans. Additionally, effective planning and organizing lead to improved efficiency, resource optimization, and enhanced productivity, contributing to overall success.

1 Reduces uncertainty

By anticipating potential challenges and developing contingency plans.

2 Improves efficiency

By streamlining processes, optimizing resource allocation, and promoting coordination.

3 Enhances productivity

By ensuring everyone is working towards a common goal and effectively utilizing their time and skills.

Characteristics

Effective planning and organizing share several key characteristics. They are **goal-oriented**, focusing on achieving specific outcomes. They are **flexible**, allowing for adjustments and adaptations based on changing circumstances. They are **systematic**, involving a structured approach to problem-solving and decision-making. And lastly, they are **collaborative**, encouraging input and participation from all stakeholders involved.

Goal-oriented

Focusing on achieving specific outcomes.

Flexible

Allowing for adjustments and adaptations based on changing circumstances.

Systematic

Involving a structured approach to problem-solving and decision-making.

Process and strategy

The planning process involves several key steps. First, define clear goals and objectives. Then, analyze the situation and identify potential challenges. Next, develop strategies and action plans to address those challenges. Finally, allocate resources, set timelines, and assign responsibilities. The strategy for planning depends on the nature of the project or goal. Some common strategies include scenario planning, risk management, and contingency planning.

1

Define goals and objectives

Establish clear and measurable targets.

2

Analyze the situation

Identify strengths, weaknesses, opportunities, and threats.

3

Develop strategies and action plans

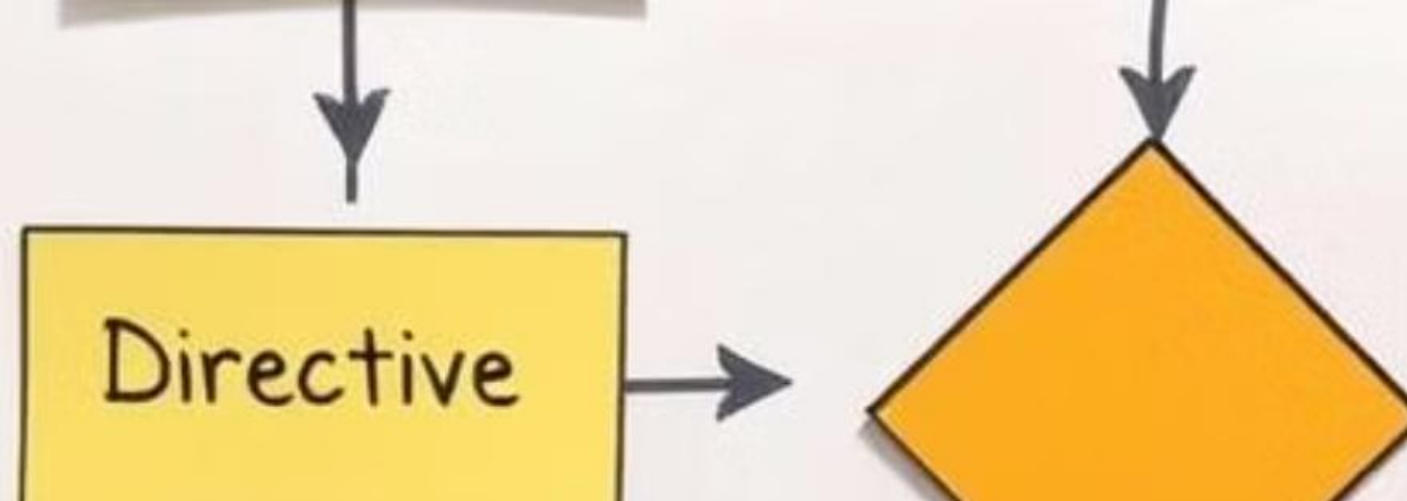
Outline steps and resources needed to achieve goals.

4

Allocate resources, set timelines, and assign responsibilities

Ensure efficient utilization of resources and clear accountability.





Decision Making

Decision-making is a critical aspect of planning and organizing. It involves selecting the best course of action from among several alternatives. Effective decision-making requires careful analysis of options, consideration of risks and consequences, and evaluation of available resources. It's important to involve relevant stakeholders in the decision-making process to gather diverse perspectives and ensure buy-in.

Step 1	Identify the problem or decision to be made
Step 2	Gather information and analyze options
Step 3	Evaluate risks and consequences
Step 4	Choose the best course of action
Step 5	Implement the decision and monitor results

Departmentation – Meaning

- Departmentation refers to the grouping of operating tasks into jobs, the combining of jobs into efficient work groups and combining of groups into divisions called as ‘Departments’.
- It refers to the horizontal differentiation in an organisation. It is a method of arranging activities and employees to facilitate the accomplishment of overall objectives

Departmentation-Need

The management of an enterprise is made more effective by departmentation. It would be a very complex task for the management without dividing the organisation into units and sub-units

- Specialisation
- Administrative control
- Fixation of responsibility
- Expansion
- Appraisal
- Managerial development
- Autonomy

1. Specialisation :

- Departmentation enables the enterprise to avail the benefits of specialisation. The work is divided into different departments.
- When every department looks after one major function, it leads to increase in operational efficiency of the organisation.

2. Administrative control :

- Grouping of activities into manageable units facilitates administrative control.
- The standards of performance of each department can be precisely determined, against which actual performance can be measured and corrective measures can be taken.

3. Fixation of responsibility :

- Each person knows the specific task that they have to perform in the organisation.
- The responsibility of the work can, therefore, be precisely fixed and the individual can be made accountable for his performance.

4. Expansion:

- One manager can effectively supervise a limited number of subordinates. Departmentation makes it possible for the enterprise to grow and expand.
- In the absence of departmentation, the size of the organisation will be limited to the manager's span of control

5. Appraisal

- When the tasks allotted to individuals are clearly specified, appraisal of managerial performance is simplified.
- The skills and competence required for managerial decisions can be easily identified.

6. Managerial development

- It provides opportunities for the training and development of the executives. They can exercise initiative and take independent decisions.
- The managers can improve their skills, leading to their development in the organisation.

7. Autonomy

- Departmentation results in the division of organisation into small units. Every manager is given the adequate freedom to run these units or departments.
- The feeling of autonomy provides job satisfaction and motivation leading to higher efficiency in operations.

Authority, Responsibility, Accountability, and Delegation in Principles of Management

These four concepts are fundamental to effective organizational management. They are interconnected and essential for achieving organizational goals.

1. Authority

Definition: The right to give commands, take decisions, and expect obedience.

Source: Can be derived from position, expertise, or personal characteristics.

Types:

- **Formal Authority:** Derived from a person's position in the organizational hierarchy.
- **Informal Authority:** Based on personal qualities, expertise, or influence.

2. Responsibility

Definition: The obligation to complete a task or achieve a specific outcome.

Relationship with Authority: Authority often comes with responsibility.

Importance: Accepting responsibility is crucial for effective teamwork and individual performance.

3. Accountability

Definition: Being answerable for the outcomes of one's actions or inactions.

Relationship with Responsibility: Accountability follows responsibility.

Importance: Accountability ensures that individuals are held responsible for their performance and that corrective actions can be taken when necessary.

4. Delegation

Definition: The process of assigning tasks and authority to subordinates.

Benefits:

- **Empowers subordinates:** Provides opportunities for growth and development.
- **Increases efficiency:** Allows managers to focus on strategic issues.
- **Improves decision-making:** Encourages participation and creativity.

Principles:

- **Clarity of objectives:** Clearly define the task and expected outcomes.
- **Matching authority with responsibility:** Grant sufficient authority to carry out the task.
- **Effective communication:** Provide clear instructions and support.
- **Monitoring and feedback:** Regularly monitor progress and provide constructive feedback

By understanding and applying these principles, managers can create a more efficient, productive, and motivated workforce

Centralization and decentralization

Centralization and decentralization are two contrasting organizational structures that affect planning and organizing. Centralization refers to a hierarchical structure where decision-making authority is concentrated at the top. Decentralization, on the other hand, distributes decision-making power among different levels of the organization. The choice between these structures depends on factors like size, complexity, and the nature of the organization's activities.

Centralization

Hierarchical structure with decision-making authority concentrated at the top.

Decentralization

Decision-making power is distributed among different levels of the organization.



Interpersonal communication

Effective interpersonal communication is essential for successful planning and organizing. Clear and open communication facilitates collaboration, ensures everyone is on the same page, and minimizes misunderstandings. It involves actively listening, providing constructive feedback, and using appropriate channels for communication.



Active listening

Paying attention and understanding the message being conveyed.



Clear and concise communication

Expressing ideas and information in a way that is easily understood.



Constructive feedback

Providing helpful and actionable suggestions for improvement.

Barriers to communication

Several barriers can hinder effective communication in planning and organizing. These include physical distractions, language differences, cultural differences, emotional factors, and lack of clarity in communication. Recognizing and addressing these barriers is crucial to ensure that messages are conveyed accurately and efficiently.

1

Physical distractions

Noise, interruptions, or uncomfortable environments.

2

Language differences

Misunderstandings due to different languages or accents.

3

Cultural differences

Variations in communication styles and interpretations.

4

Emotional factors

Stress, anger, or prejudice affecting communication.

5

Lack of clarity

Ambiguous or unclear messages.