



SNS COLLEGE OF TECHNOLOGY

Coimbatore-35

An Autonomous Institution

Accredited by NBA – AICTE and Accredited by NAAC – UGC with 'A+' Grade
Approved by AICTE, New Delhi & Affiliated to Anna University, Chennai

DEPARTMENT OF MCA

19CAT607 – PRINCIPLES OF MANAGEMENT

I YEAR II SEM

UNIT III – ORGANISING

TOPIC – Departmentation – Organization Charts –

Manuals – Span of Management – factors affecting span of

management



Departmentation

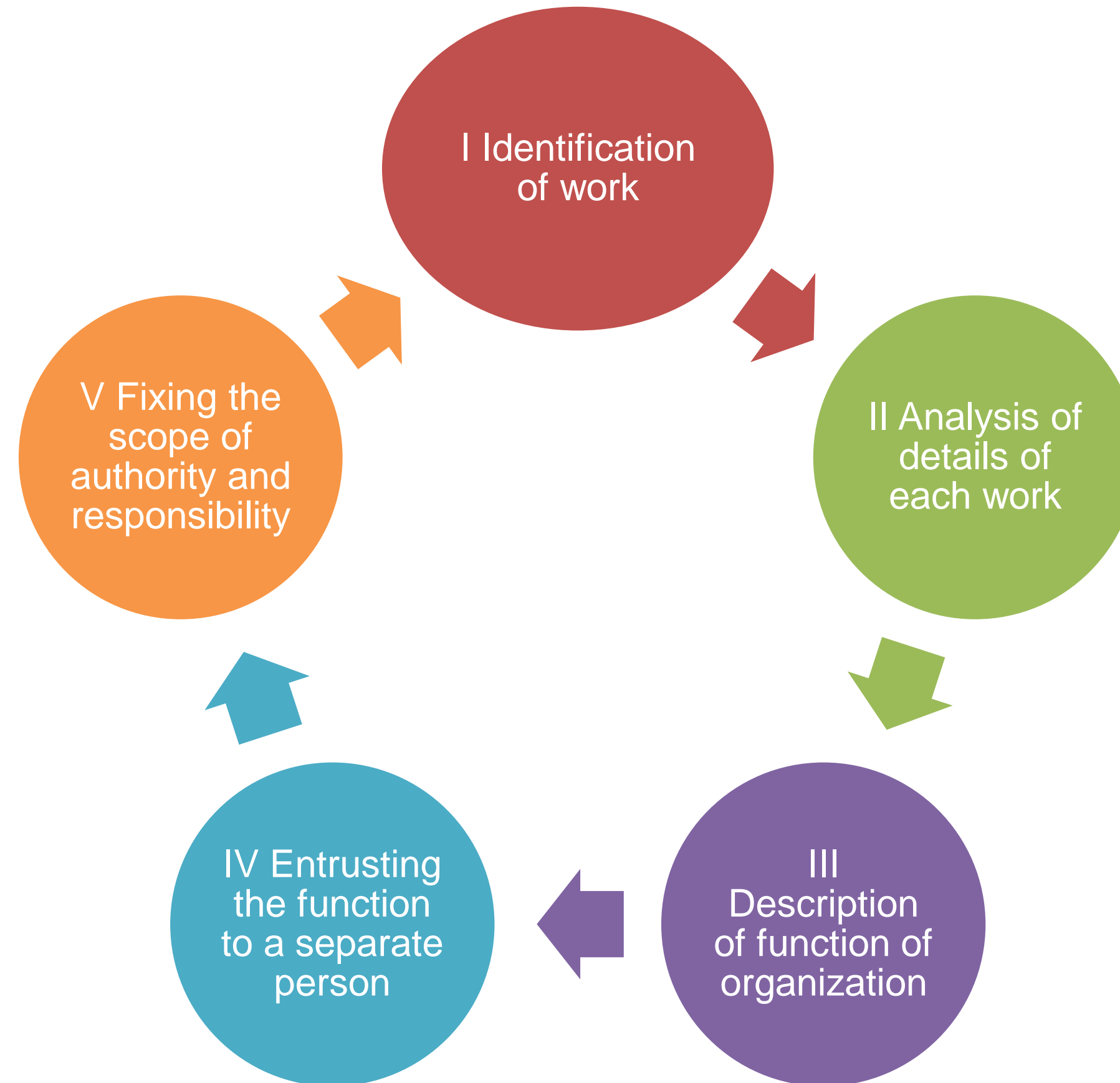
Definition 1: Grouping of common activities on the basis of a function of the organization under a single person's control

Definition 2: Process by which similar activities of the business are grouped into units for the purpose of facilitation smooth administration at all levels





Process of Departmentalization





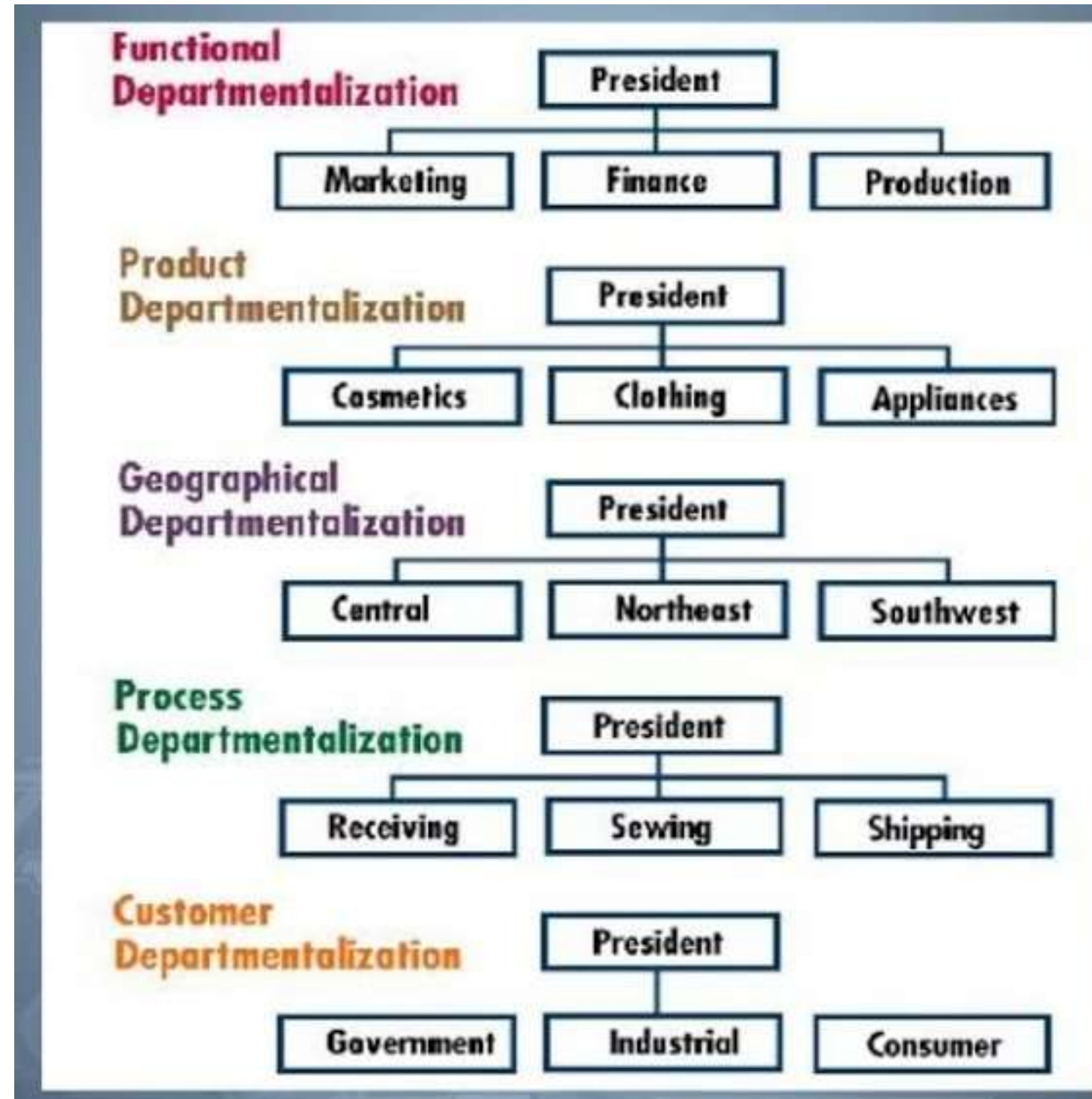
Types of Departmentalization

Basic Types of Departmentalization

Functional	Based on the primary functions performed
Product	Based on the goods/services produced or sold
Process	Based on the production process used
Customer	Based on the primary type of customer served
Geographic	Based on the geographic segmentation of organizational units



Types of Departmentalization





Advantages of Departmentalization

1. Specialization

2. Growth and Expansion

3. Fixing Responsibility

4. Better Customer Service

5. Performance Appraisal

6. Management Development

7. Optimum Utilization of Resources

8. Facilitates Better Control



Organizational chart

Organization chart is a diagrammatical presentation of relationships in an enterprise.

Functions and their relationship

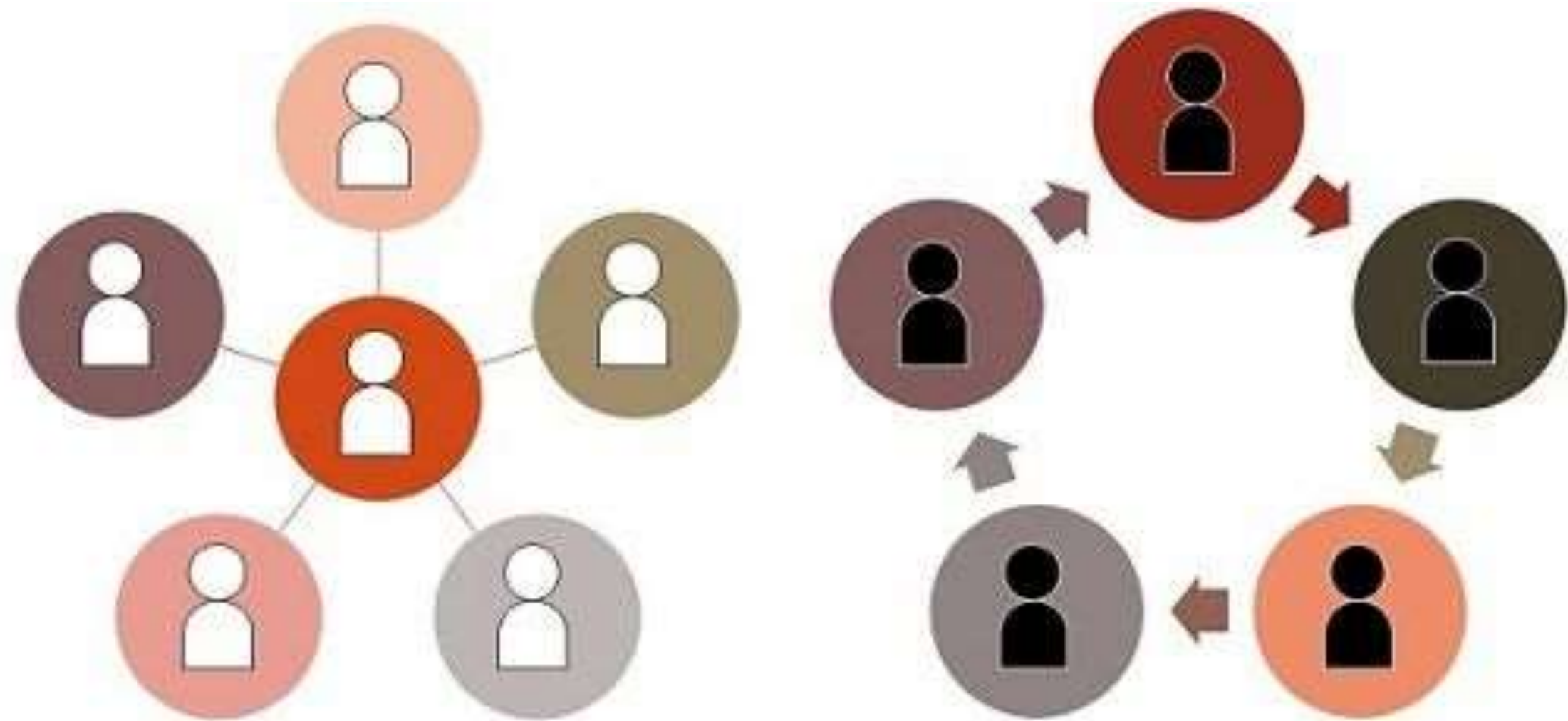
Channels of authority and relative authority of different managers

Three ways to show the chart

- Vertical
- Horizontal
- Circular

Two types

- Master chart: formal
- Supplementary chart: Relationship, authority and duties



CENTRALIZATION VS DECENTRALIZATION



Difference

Basis for Comparison	Centralization	Decentralization
Meaning	The retention of powers and authority with respect to planning and decisions, with the top management, is known as Centralization.	The dissemination of authority, responsibility and accountability to the various management levels, is known as Decentralization.
Involves	Systematic and consistent reservation of authority.	Systematic dispersal of authority.
Communication Flow	Vertical	Open and Free
Decision Making	Slow	Comparatively faster
Advantage	Proper coordination and Leadership	Sharing of burden and responsibility
Power of decision making	Lies with the top management.	Multiple persons have the power of decision making.
Implemented when	Inadequate control over the organization	Considerable control over the organization
Best suited for	Small sized organization	Large sized organization

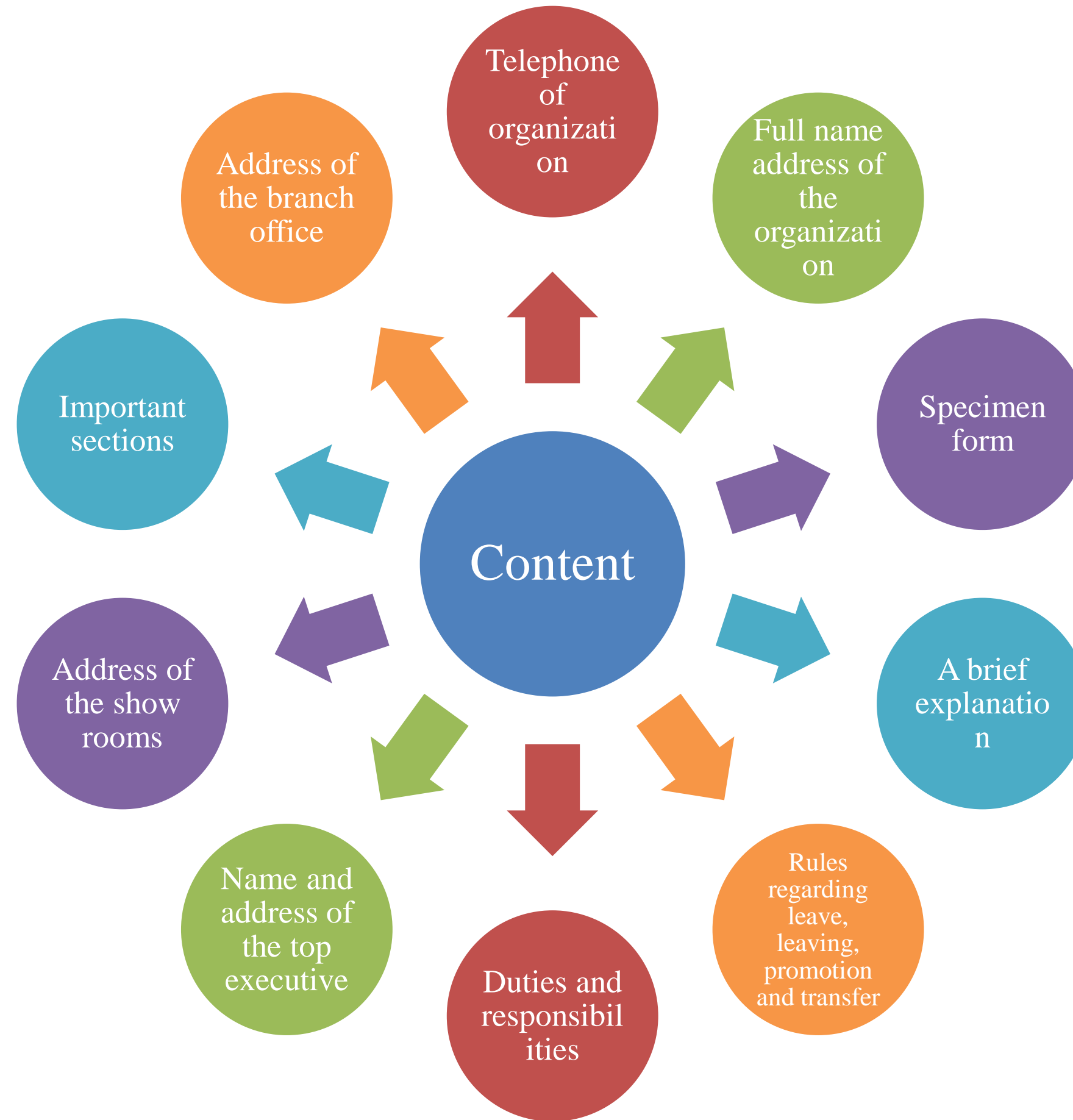


Organization Manual

1. An **Organization Manual** is a structured summary of all regulations of a company. An organization Manual contains, for example, the
 - company history,
 - goals,
 - definitions,
 - organizational instructions and
 - guidelines.



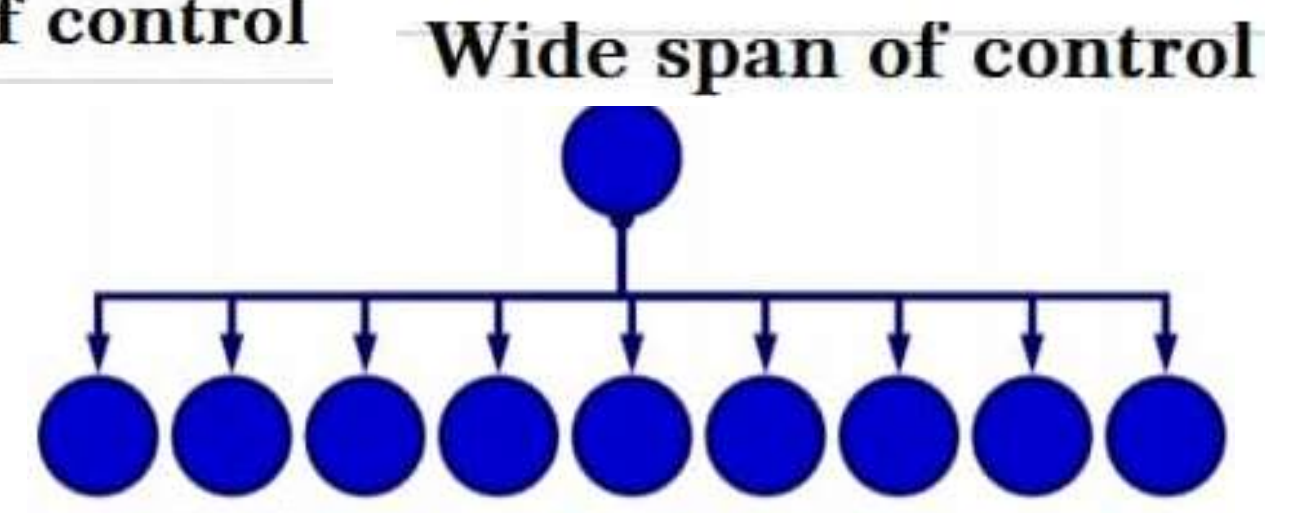
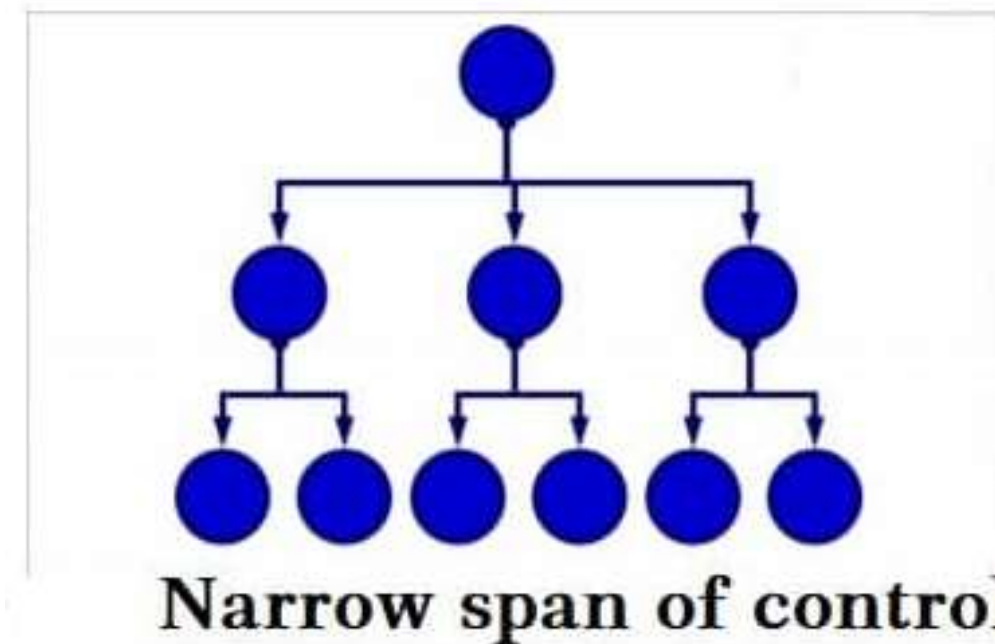
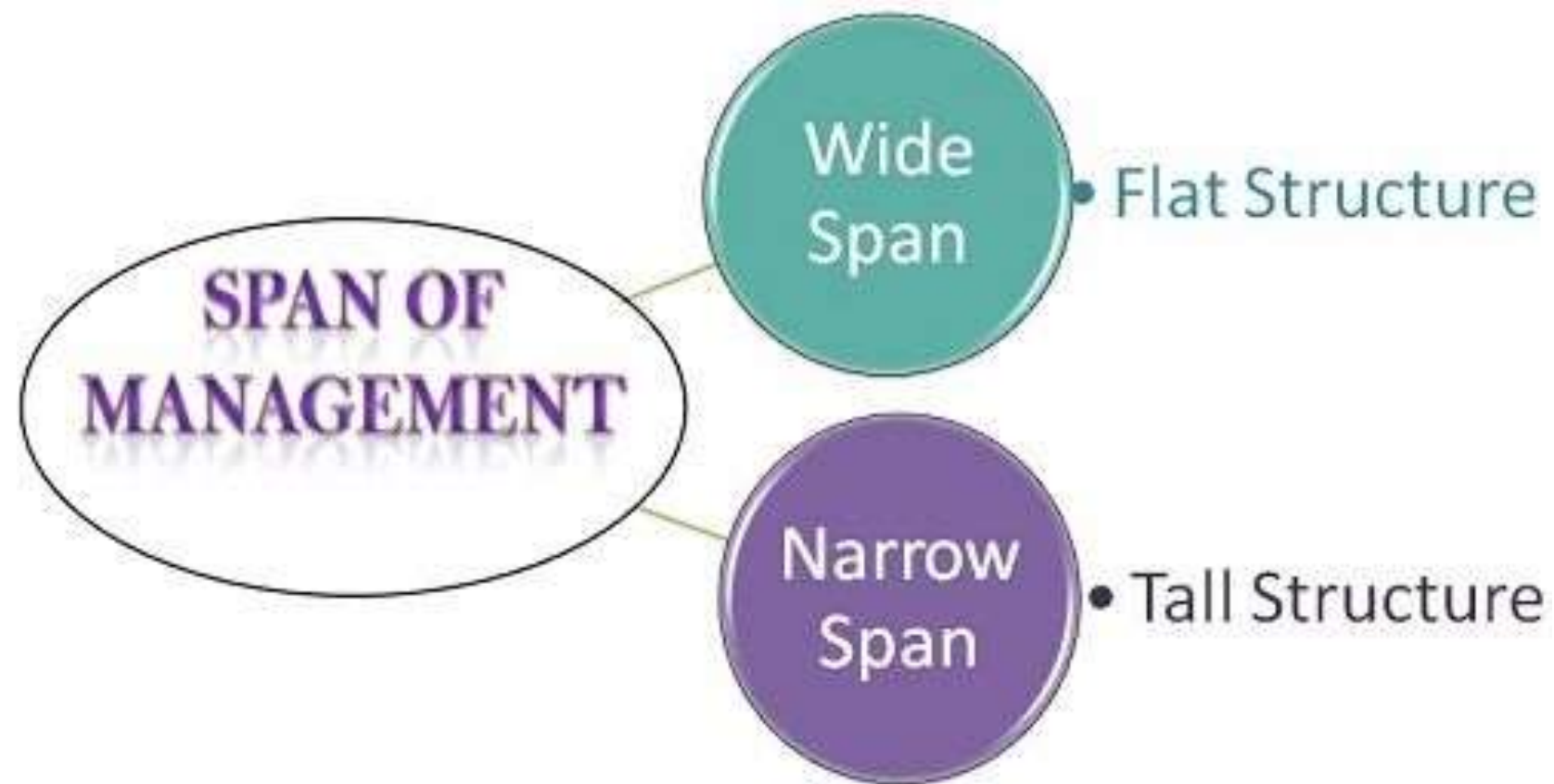
Manuals





Span of organization

1. The **Span of Management** refers to the number of subordinates who can be managed efficiently by a superior.
2. Simply, the manager having the group of subordinates who report him directly is called as the span of management. according to a particular or group of tasks





Factors Determining Span of Management



