

Decentralization:

Every organization has to decide as to how much decision making authority should be centralized in hands of the chief executive & how much should be distributed among the managers at lower levels. In a centralized set up the decision making authority is concentrated in a few hands at the top & a decentralized set up it is delegated to the levels where work is performed.

Advantage of Decentralization

i/. Decentralization reduces the problem of communication & red tape:→

As an organization grows larger it takes longer for top managers to get the information necessary to make decisions. Decentralization reduces the communication process & improves the organization's efficiency.

ii/. Decentralization permits quicker & better decision making:-

The employees who are close to work most knowledge about the specification details & circumstances of problem that arises in their department have the authority to take actions. As a result

They often make swift & better decisions than their Superiors who are not in touch with Specific Situations.

iii/. Decentralization leads to a Competitive Climate.

Within the Organization →

Where each department is made into a distinct profit Centre its head is encouraged to exercise greater initiative. Since he is being compared with his on various performance measure peers

iv/. Decentralization ensure the development of employees:-
Because employees in a decentralization structure often have to adopt & deal with difficult Situation, they are assume to be excellently trained for promotion into position of great authority & responsibility.

v/. Decentralized reorganized & Capitalize on the importance on human element :->

Under decentralize employees are able to exercise more autonomy. It gives them the power ~~prestigious~~ & status they feel more motivate & Satisfied with their job. Autonomy of Subordinate unit permits greater experiment & flexible.

Centralization

If Sub-Ordinates are given more roles & importance in the management & Organization it is called de-centralization. The management must decide the degree of Centralization or de-centralization of authority on the basis of nature of the circumstances, size of the undertaking, the type of activities & the nature of Organization. The objective should be clear in all facilities of the personnel.

Advantage of Centralization

- 1/. Strong Central leadership develops which may be required in crisis.
- 2/. Decision take into account the interest of the entire Organization.
- 3/. There is no duplication of effort & resources.
- 4/. Co-Ordination of activities of Sub-Ordinates is better achieved.

Management

Management is the dynamic life giving element in every organization this element co-ordinates current organizational activities & plans future ~~one~~ one.

Management is a critical element in economics growth of country. By bringing together the four factors of production like →

- * Money
- * Manpower
- * Machines
- * Material

Management enables a country to experience a substantial level of economic development. A country with enough capital, manpower & natural resources can still be poor if it does not have competent managers who combine & co-ordinate these resources.

Management is essential in all organization efforts be it a business activity or any other activity.

Principle of management are now universally used not just for managing business organizations, they are also applied varies of other type of organizations.

Such as - educational, Social, military & government Management is thus the same process in all form of organization, It may vary widely in its complexity with the size of the organization. The management of a big multinational company is very crucial & complex.

Functions of Management

1/. Planning :-

Planning is the function that determines in advance what should be done. It is looking ahead & preparing for the future. It is a process of deciding the business objectives & charting out the methods of attaining these objectives. In other words, it is the determination of what is to be done how & where, it is to be done, who is to do it & how result are to be evaluated. This is done not only for the organization as a whole but for every division, department or sub unit of the organization.

Planning is a function which is performed by managers at all levels. Plans made by top management for the organization as a whole make cover periods as long as 10-20 years. Plans made by managers, cover much shorter period.

2./ Organizing :-

The Organize a business is to provide it with every thing useful to its functioning like personal, raw-materials, tools & Capital. It should be noted that different objectives requires different Objectives requires different kinds of Organization to achieve them. Once managers have established Objectives & developed have established plan to achieve them. They must design & develop a human Organization that will be able to carry out those plans successfully.

3./ Directing :-

After plan have been made & the Organization have has been established & Staffed the next step is to move forward its defines goals. This functions can called by various names like leading, directing, motivating & so on.

Directing involves three sub functions →

- * leading
- * Communication
- * motivating

4./ Controlling :-

The managers must ensure that every thing occurs in conforming with the plan adopted, the instruction issue & the principles, the established. This is the Controlling function of management.

Controlling have three element :->

i/ Establishing Standards of performance.

ii/ Measuring Current performance & Comparing it against the established Standards.

iii/ Taking action to correct any performance that does not meet those Standards.

5/. Innovation :->

Innovation means creating new ideas which may either result in the development of new products or finding new uses for the old ones.

6/. Representation :->

A manager is also required now a days to spend a part of his time in representing his organization before various outside groups which have some stake in the organization. These stakeholders can be government officials, labour unions, financial institutions, supplier & customer structure etc. A manager must win their support & effectively manage by the social impact of his organization.