

# Chapter I

## Hierarchy

### **A. Introduction**

There is a difference of opinion among experts on the question whether there are some general principles of administration. Some of them like Henry Fayol, Luthar Gullick, Urwick, etc., claim that there are some general principles which can be taken as more or less proven truths. Herbert Simon, on the other hand, felt that these principles are nothing but proverb. L.D While felt that they are only working rules which wide experiences seem to have validated. A balanced view is that the principles of Public Administration are not like law of physical sciences which may be true in all circumstances. They are in fact inductive generalization arrived at after keen, informed and continuous observation of the administrative phenomena. These principles are, therefore, to be understood as guiding principles to be adapted to the needs of the situation. Nevertheless, no scholar or practitioner of Public Administration can afford to ignore them. Some of the important ones are; Principle of Hierarchy, Principle of Span of Control, Principle of Unity of Command, Principle of Integration, Principles of Decentralization, etc.

### **B. Principle of Hierarchy**

The meaning of the term “Hierarchy” is control of higher over the lower. In administration it has come to mean a graded organization of successive steps. The process of achieving the goals of the organization requires the division of jobs into various functional units. The units are further divided into sub-units until we reach the base order. This is called hierarchical Principle or scholar principle of organization. This has a number of features described below.

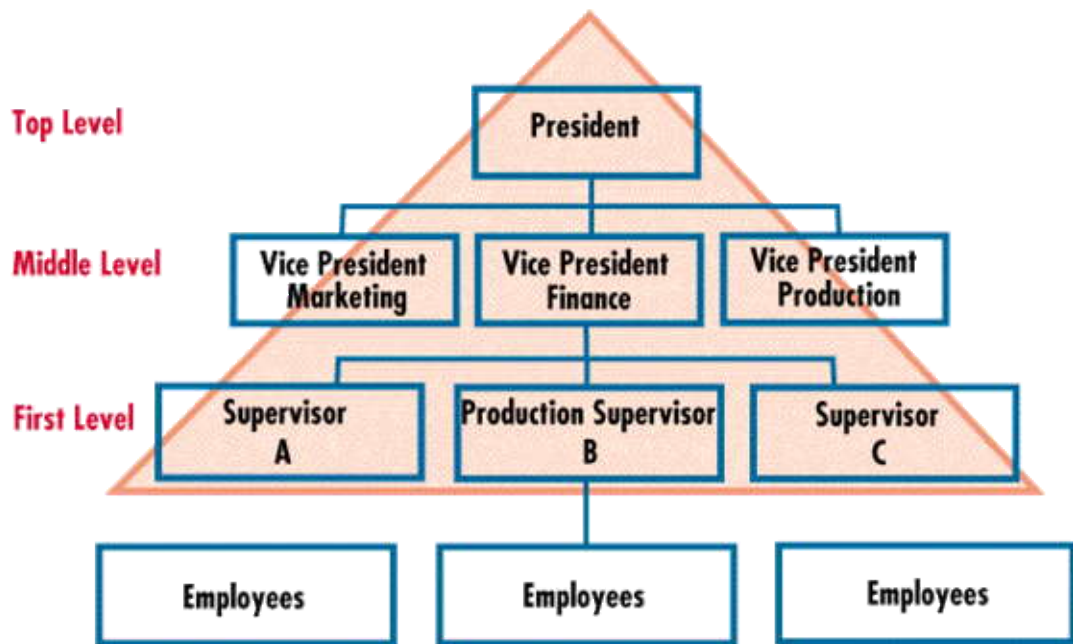
## ***Features***

The main features of hierarchy are:

- (i) The entire administrative functions of the organization are divided into successive units or sub-units.
- (ii) These units are organised in pyramidal form. Starting from the centre of authority at the top of pyramid keeps widening towards the base.
- (iii) The authority, command and control in the organization descend from the top, step-by-step towards the bottom.

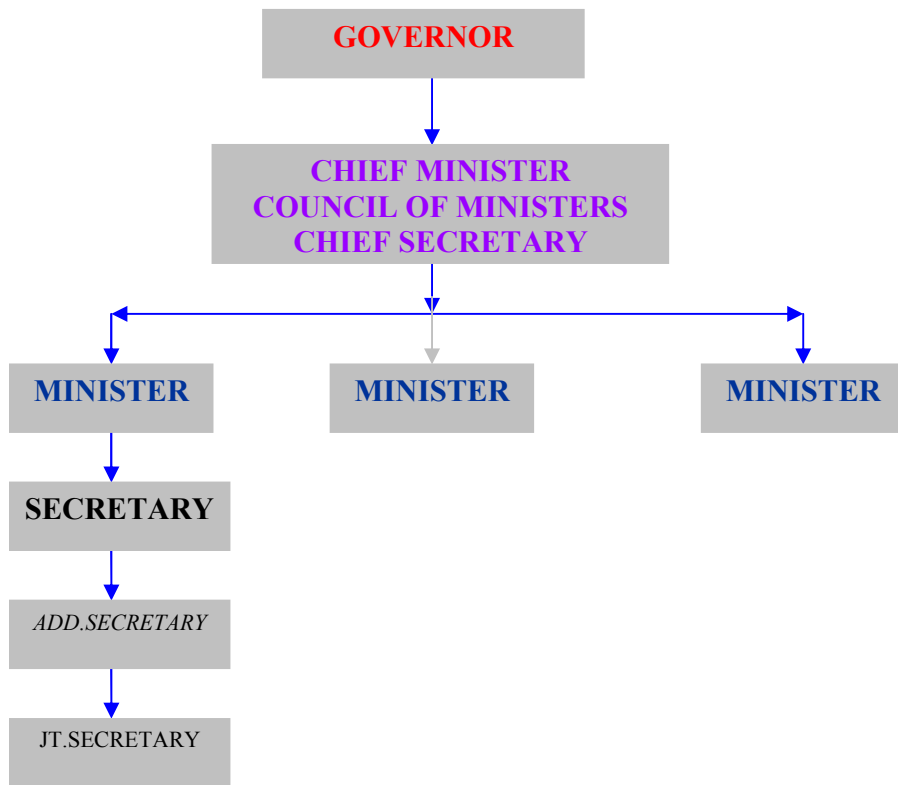
## **C. Diagrammatic Representation**

Organizational Hierarchy can be depicted in the following diagram



The apex represents the Chief Executive (President) where full concentration of power exists; with the descending levels of Blocks representing middle level and first level managers which increase in number signifying the larger number of sub-units.

In an actual department of Government the hierarchy looks something like this.



The organization may grow either by adding more functional areas or by adding more levels. When more functional area are added without increasing the number of levels, it is called horizontal growth. On the other hand if the functional areas remain the same, but more levels are added, it is called vertical growth.

#### **D. Functions**

Main functions of hierarchy are the definition of power, functions and responsibility of each functionary of the organization and the coordination of their efforts to achieve the goals of the organization. This is achieved by what has been called by Mooney as the Scalar System. Scalar is derived from the word scale which means steps, i.e. something graded. In an organization Scalar principle means grading of duties not according to functions, but, according to the degree of authority and responsibility. Each superior authority has the authority to issue directions to the subordinate and each subordinate has the

responsibility to obey and carry out the command of the superior authority. This contributes a scalar chain of command which connects the supreme coordinating authority of the Organisation. Through this chain the coordinating authority of the Chief Executive becomes effective through out the organization. In this graded systems of authority and responsibility everything has to move through the various levels or steps. No levels or steps are generally skipped. This gives rise to the iron rule of “proper channel”, the line of authority runs upwards and downwards and every single worker becomes answerable to the head of the organization. Thus the scale system implies a single principle of unity of authority, a single process of delegation and the effect of functional definition. In this system there is unity of authority, but, not all authority is concentrated at the top. In fact, the authority projects itself thought out the organizations through the process of the delegation and functional definition and achieves co-ordination by a process of accountability.

#### **E. Advantages**

The hierarchical principles have many practical advantages such as:

- (i) It secures unity of purpose throughout the organization; it facilitates communication upwards and downwards and defines functions and responsibility of each functionary. Everyone knows from whom to take orders and to whom to command with a view to achieve the goals.
- (ii) Through a process of delegation, it enables the establishment of centers of decision and control without undermining the unity of command. This can relieve the Chief Executive of the necessity of taking many decisions.
- (iii) It promotes specialization and division of labor. Important policy matters are looked after by the top management, detailed supervision and control is delegated to the middle level and operational work is left to rank and file.
- (iv) The system makes everyone’s authority and responsibility very clear. Everyone knows his position and responsibility and authority and to whom he is answerable.

- (v) It makes the system operate through proper channel-
  - (a) This makes the process of communication clear.
  - (b) It saves the time of superior officers as many things can be decided at lower level.
  - (c) This also make possible for the senior officers to get all the relevant information, precedents etc., which enable him to take correct decisions.
  - (d) It promotes discipline in the services. The subordinate has to get his grievances redressed through proper channel and therefore, has to go through his immediate superiors.

## **F. Disadvantages**

Inspite of these advantages, the hierarchical system suffers from some very serious shortcomings indicated below:

- (i) It brings about rigidity in an organization and is not conducive to the development of dynamic human relationship among its members.
- (ii) It causes delay and red-tape. The papers have to move through many steps in the proper channel. At every step there is some avoidable and some unavoidable delay.
- (iii) It creates feelings of superior-subordinate relationship. Strictly speaking the levels do not connote any inherent superiority and inferiority. However, due to difference in the nature of responsibility of various levels, difference in salary scales and difference between qualifications etc., the superior subordinate relationship does emerge in the organization.

## Chapter II

### Unity of Command

#### **A. Meaning**

The Principle of unity of command means that an employee in the organization should receive orders from one superior only. If this principle operates at all levels of the organization, everyone's responsibility is clearly laid down. There is no confusion about what one is supposed to do as he has to obey only one superior. When this is not the case, that is when employee is supposed to receive orders from more than one superior, confusion, when contradictory orders are issued by different bosses. One may resolve the contradictory taken by one subordinate, but, not the contradictions in the orders of the superior. A clever subordinate under these circumstances may play one superior against another and get away without doing any work.

Fayol is a great advocate of this principle of unity of command. He felt that whenever this principle is violated, uneasiness is felt in the organization. This, according to him results in undermining of the authority and discipline and diffusion of responsibility. He went to the extent of saying that an organization cannot adapt to dual control. Either the dual control is removed or the organization suffers.

#### **B. Practical Violations**

The argument appears perfect in theory but has been violated in practice very often. The most common need of the modern organization is to provide technical guidance to the employees and this comes from outside the chain of command. To take an example from Indian situation, the district and block administration are examples of dual control. The district or block-level officer from a technical department has to get technical guidance from his head of the department and at the same time has to work as a member of the district or block team under the guidance of the District Collector or Block Development Officer. The village level worker (V.L.W) takes guidance from a number of technical officers of different departments.

Secklar-Hudson have observed that in complex Government Organization, the principle of one boss for each person hardly operates. They felt that in these organizations there are many interrelationships, outside the chain of command, which require an employee receiving orders from a number of supervisors. He may receive orders on price policy, personnel policies, budget, purchase etc., from different authorities. The classic example is of the District Collectors in India who receive instructions from a large number of Government Departments at the State level.

Even Frederick W. Taylor, the originator of scientific management system, preferred the principle of dual or multiple supervision. He thought that better supervision is possible only if an individual worker is supervised by eight people viz.

- (i) the gang boss
- (ii) the speed boss
- (iii) the inspectors
- (iv) the repair boss
- (v) the order of work and route clerk
- (vi) the instruction card clerk
- (vii) the time and cost clerk
- (viii) the shop disciplinarian

John D. Millet also felt that the concept of unity of command must be reconciled with the need for dual supervision on technical and administrative matters.. The technical supervisor may be concerned with the professional competence of the job while the administrative supervisor may be considered with the efficient utilization of men and material resources.

Herbert Simon also recognized the need for dual supervision but, he circumscribed it again by the principle of unity command. He has said that in case of conflict between the commands of the two authorities,

there should be a single determinate person whom the subordinate is supposed to obey.

### **C. Reconciliation**

However, arguments have also been given to assert that there is really no contradiction between the unity of command and dual supervision. Firstly, it is argued that the technical officers guiding the employees are doing so in performance of staff functions. They are technical advisors to the Chief Executive and do not form part of the direct chain of command. Secondly, it is said that one employee cannot receive orders from more than one authority on the same subject. It should not be too narrowly constructed to mean that an employee cannot receive orders from different authorities on different subjects.

In fact, the principle of unit of command is a useful one in the working of large organizations. However, it can be applied with the precision of a mathematical equation. To be more workable the more liberal interpretation should be taken whereby the principle is reconciled with dual supervision.

## Chapter III

### Authority and Responsibility

#### **A. Introduction**

We generally talk of the relationship between authority and responsibility in the context of delegation and coordination in an organization. The Chief Executive is responsible for performing or getting performed all the functions that are necessary to achieve the purpose or objective of the organization. He is ultimately responsible for all that goes on in an organization. He has, thereof, all the authority and command over the resources of the organization. In practice, however, no Chief Executive can directly perform all the functions nor can he exercise direct control over all the resources, human and material. In fact, the whole purpose of the organization is to assist the Chief Executive in achieving the organizational objectives. In a typical organization there is a well laid out hierarchy having different levels of functionaries with well defined functions. The Chief executive operating through the hierarchical organization has to assign functions to the different levels of functionaries. In other words, he has to decide as to how much responsibility should be assigned to whom. Since the Chief Executive cannot directly supervise the work of all the functionaries. He has also to decide as to who would be responsible to him through whom. By this inter-locking chain of responsibilities, the functions and responsibilities of the Chief Executive get distributed throughout the organization.

#### **B. Distribution of Authority**

Having distributed his functions and responsibilities the natural question arise as to how much authority should be delegated to the different functionaries. The general rule that applies to such delegation is that the authority delegated to any functionary should be commensurate with the responsibility imposed on him. The obvious reason is that when an administrator is given the responsibility to perform a job, he must also be given tools necessary to accomplish it.

### **C. Consequence of inadequate delegation of Authority**

If authority commensurate with responsibility is not delegated to any administrator, the obvious consequence will be that he may not be in a position to perform the functions assigned to him. This is bad enough, but there are other highly undesirable consequences of inadequate delegation of authority. Some of the important ones are –

- a. There may be irritating delays in the performance of the job. If the organization is responsible for providing services to the people, it may come in for severe public criticism.
- b. If the organization is contract bound to provide goods or services to other organization, it may suffer severe loss of credibility resulting in loss of further business form the same and other clients.
- c. The worst effect of such inadequate delegation is the loss of morale of the concerned functionaries while the credibility of the organization suffers, his personal credibility suffers more. He would not be in a position to command respect within the organization or with the clients.
- d. Of course there are other consequences of delayed implementation of programmes like wasteful use of resources and cost-runs.

A sound organization, therefore, has to device a reasonable balance between the authority and responsibility of its functionaries at all levels. In practice, however, the degree of authority granted generally turns out to be less than the responsibility delegated.

### **D. The reasons for Authority less than Responsibility**

#### **(i) *External Constraint on Managerial Control.***

This phenomenon is more marked in public administration than in private management. The business people find an appalling gap between authority and responsibility in Government organizations. This is caused by the social systems in the civil

services. Actually the civil services concern for employee rights and objective, evaluation system, hardly leave any authority with the senior and middle level administrators. They lack control over their employees and are unable to direct them to perform their tasks.

(ii) ***Centralization of Staff Functions***

Another cause of the authority gaps is the frequent centralization of staff functions which allows the field administrators very little control over resources. The most important example is the strict enforcement of the budget. The field administrators have almost no authority to transfer budgetary provisions from one head of expenditure to the other, even if they find it more profitable to do so. Similar constraints are felt even in the field of personnel administration. For example the administrators who want to train their employees may not be able to do so.

(iii) ***Disproportionate Authority with Staff Agencies.***

Line managers have to share authority with staff managers, but, they can hardly share responsibility. For example, the line managers/administrators have to accept the accounting procedures, personnel practices, technical guidance from the staff managers/advice of the staff managers who have been long away from the field realities. They have at least to learn to circumvent such instructions without being found out.

(iv) **Personal Qualities of the Administrators**

The most important cause of inadequate delegation is the lack of self-confidence in the delegator. The self-confident managers/administrators do not feel threatened by the authority of their subordinates. They delegate sometimes even more than adequate authority to subordinates. This builds up the subordinates and also improves organizational performance.

Some administrators feel that since they are responsible to their superiors, they should retain the authority also with them. There

is something in their make-up, not lack of self-confidence mentioned above, which militates against delegation. They often carry the load of work which they can easily share with their subordinates in the organization.

Sometimes the senior administrators are not able to trust their subordinates. At times they tend to test the trustworthiness of their subordinates before delegating authority to them.

While it is necessary to make institutional arrangements for ensuring delegation of authority commensurate with responsibility, much will always depend on the individual administrators. The delegation is after all a matter of trust and confidence. It is impossible to eliminate the subjective element altogether. However, the Chief Executive can do a lot to create the climate of confidence within his organization. Only if he delegates authority to his immediate subordinates, they are encouraged to delegate it further down. But, it is a mistake to think that it can only be an individual effort. An organization is composed of a large number of individuals who differ in their temperament and personal qualities. The climatic confidence built over a period of time can to some extent get over the individual idiosyncrasies and can create a cohesive group where generally the authority delegated is commensurate with the responsibility imposed.

## Chapter IV

### Coordination

#### A. **Meaning**

Co-ordination means to bring harmony and consistency in the actions of persons working towards a common end. Every group action needs co-ordination. Administrative activity has to be coordinated in both time and space. In Government work the need for coordination arise due to its very complexity. The work has necessarily to be sub-divided into various departments. But no sub-division can make a water-tight division into independent units. There has to be a lot of inter-dependence and inevitable over lapping of functions. Some functions may be entrusted to more than one department – although in varying degrees. For example education department is primarily concerned with the general education while tribal welfare department may claim interest in the organization of education for tribals. This may lead to an area of common interest and may lead to clash over jurisdictions.

Then there may be differences of opinion among the concerned department over matters of common interest. For example on economic considerations the department of industry may try to locate an undertaking near the city, but safety organizations and environment department may find it unsuitable. In fact, every Government department depends on other departments for performing its functions. For example, department of health depends on Finance Department for money; on Public Works Department for construction of buildings; Revenue and Environment departments for selection of hospital sites; on the department of supplies and disposals for procurement of supplies etc. The fulfillment of every programme of every department will thus require co-ordination with the other departments. To achieve such coordination some special efforts have to be made and some special machinery may have to be created. While on policy matter, cabinet can perform the coordinating function, a more detailed arrangement has to be made at operating levels.

## **B. Means of Co-ordination**

A number of arrangements may be devised to achieve co-ordination at different levels. Some of them are described below:

### **(i) *Planning***

It is an important method of co-ordination in any large scale operation. A well laid out plan can foresee the requirements of financial, manpower and other resources. It should also foresee the areas of inter-dependence and possible friction and provide for predetermined remedies as far as possible.

### **(ii) *Sound Organization***

A sound system of organization provides for clear division of responsibilities backed with requisite authority. It clearly lays down the functions of all the individuals and departments and thus reduce the area of friction and overlapping. Of course, it must be understood that the need for co-ordination always remains because no system of organization can create structures which can completely avoid inter-dependence.

### **(iii) *Cabinet and its Secretariat***

It can take care of super-departmental co-ordination. The differences of opinion among different departments can be referred to the cabinet, which can either resolve the dispute or can lay down principles for resolving it. This can, however, only be limited to general principles at the policy level.

### **(iv) *Inter Departmental Committees***

They are the most usual means of co-ordination on operational matters or even on minor policy matters connected with a limited number of departments. These committees are composed of the senior or middle level officers of concerned ministries or departments, depending upon the importance of the subject. This committee can however, be useful only when the participating departmental officers have a will to resolve

problems and work with a spirit of accommodation and compromise. No co-ordination can be achieved when the departmental representatives take very narrow and rigid departmental view.

**(v) *Regional Councils***

These are sometimes formed to co-ordinate the activities of various field organizations working in a particular region. On the one hand this may mean bringing together the organizations working for similar programmes e.g. credit and input distribution agencies in a region. On the other hand it may also be used to organize common services like arrangement of supplies, legal advice etc.

**(vi) *Staff Agencies***

They are attached to the Chief Executive and may perform a very good co-coordinating role. They are in a vintage position to observe the role of various field units and render them necessary advice for co-ordination. This is, of course, subject to the condition that they are able to co-ordination their activities at the headquarters.

**(vii) *Informal Means of Co-ordination***

At times informal means of co-ordination are more important than the formal means. Public Officials also have a personal and social life. They meet their colleagues in clubs, restaurants, social functions. Here a number of departmental problems get resolved. The atmosphere being informal, the rigidities of departmental roles are softened. The problems of protocol are solved by having a common place to meet for different levels of officers.

# Chapter V

## Span of Control

### A. Meaning

The hierarchical system of organization envisages a number of levels of authority. Each level is supposed to supervise the functioning of the next lower level. The question arises as to how many subordinates can be supervised by a supervisor. It has been widely assumed that for proper organization of work every superior should have a great deal of personal interaction with the immediate subordinates. On this principle, he can supervise only a few subordinates. This is what can be described as the principle of span of control. It is based on the idea that there is a psychological limit to an individual's span of attention. V.A Graicunas formulated this principle in his paper Relations in Organization.

### B. Case of a Small Span of Control

Most of the theorists have believed that for proper attention of the supervisor, the span of control should be small. Generally it has been believed that a superior cannot supervise the work of more than three, five or seven subordinates. Lyndall F. Urmick has been a great advocate of a small span of control. He argued that when a subordinate is added, the superior has not only to supervise his work, but, also has to look to the growing number of relationships. He gave a numerical example. When a superior adds a sixth to his five subordinates, opportunities for delegation go up by 20% but the inter-relationships to be overseen increase by about 100.

The formula given by Graicunas for calculating the cross relationships is given below:

#### *Relationships for supervision (in subordinates)*

- |      |                            |              |
|------|----------------------------|--------------|
| (i)  | Direct single relationship | $a = n$      |
| (ii) | Cross relationship         | $b = n(n-1)$ |

(iii) Direct group relationship  $c = n (2^{n-1} - 1)$

Total relationships to be supervised = a+b+c working out in concrete cases-

| 3 subordinates | 4 subordinates |
|----------------|----------------|
| a=3            | a=4            |
| b=6            | b=12           |
| c=9            | c=28           |
| Total 18       | 44             |

Thus by addition of just one subordinate there is a disproportionate increase in the number of relationship to be supervised. Therefore, according to Urmick the span of control is to be quite small, if effective supervision and control is to be exercise.

### C. Case for a Large Span of Control

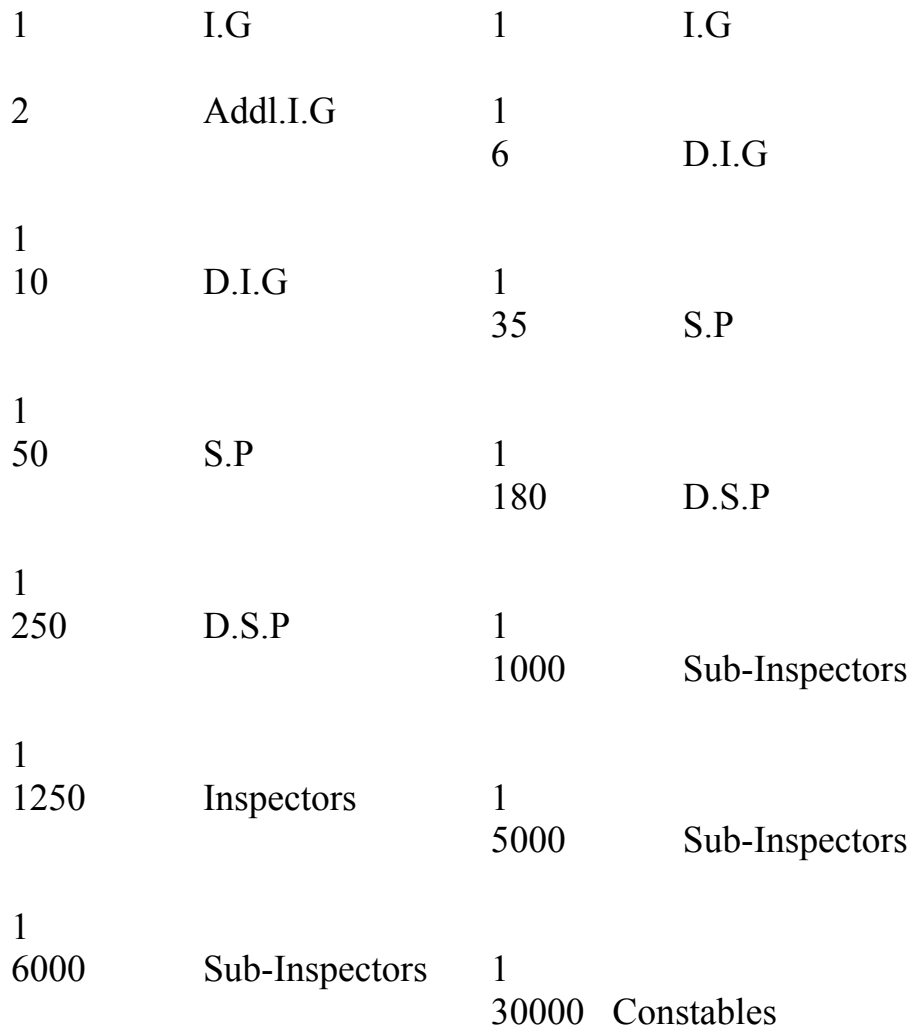
Herbert A Simon on the other hand has been arguing against a very small span of control. He has argued that if the span of control is taken to be too small, the number of steps in the vertical chain of command rises. This has the effect of making the vertical communication much more difficult and indirect.

An example will illustrate this point. If a big state has to organize its police force, it has to have several levels of hierarchy depending upon the span of control. A force of 15000 with a span of control of five can be organised as follows:

- 1. - I.G of Police
- 1
- 5 - D.I.G (Police)
- 1
- 25 - Superintendent of Police
- 1
- 125 - Dy. Superintendent of Police
- 1

- 625 - Inspectors of Police
- 1
- 3000 - Sub-Inspectors of Police
- 1
- 15000 - Constables

If the number of police force is increased to 30,000 it can be reorganized in two different ways viz. either by increasing the span of control to six (and keeping the steps in the chain of command constant at seven) or by keeping the span of control at five (and increasing the steps in the chain by one). The following diagram makes the position clear:



There has therefore, to be a trade off between span of control and the links in the chain of command.

#### **D. Synthesis**

The synthesis of the two views large vs. small span of control would suggest that there is no hard and fast rule governing the span of control. It would depend upon a number of circumstances some of which are discussed below:

- (i) **Function** - meaning the type of work to be supervised. When a supervisor is supervising the subordinates who are performing a uniform function, the span of control may be large. On the contrary when a superior supervises the subordinates performing varied and heterogeneous functions, the span of control has to be small.
- (ii) **Personally** – meaning professional competence and personal qualities of superiors and subordinates. A professionally competent superior well up in inter-personal relations supervising similar subordinates can definitely supervise a large number of them.
- (iii) **Time or age of the organization** – also affects the span of control. In well established organizations with set rules, procedures and traditions the span of control can be large.
- (iv) **Space floor organization** – also to some extent affects the span of control. If, for example, the office is located in a number of different buildings or in disjointed parts of the small building, it becomes difficult for any one to supervise the subordinates. In such situations, the span of control becomes smaller. Even in the same building, the organization of space, where superior and subordinates have been arranged to have easy access to each other, case increase the span of control.

#### **E. Recent Developments**

Some recent developments in the field of science and technology have a great deal of significance for the concept of the span of control.

Firstly, the new technology of electronic data processing has tended to increase the span of control. This automation in administration has made it possible to collect the data and retrieve it when necessary. It has also made possible to make a good deal of analysis with its help. In such situations obviously there is no need to have an army of clerks and record-keepers and analysts to help in decision-making. The superior can supervise the work of many subordinates with the help of these techniques. Similarly, the FDP techniques and long distance use of computers and consequent faster communications have increased the span of control over space. Now many more units situated at long distances can be supervised from headquarters. Secondly, the knowledge explosion has also brought in its wake a large number of specialists and professionals in the organizations. On the one hand, they work near the top positions and on the other hand they do not tolerate any interference in their work. In such situations the traditional superior subordinate relationship is modified to the extent that more of persuasion and group decision making have to be resorted to than making command based on ready made rules. Since these highly trained professionals need little supervision, the span of control will tend to increase. Thirdly, the Public Administration Theory should also take note of the new developments in the field of industrial management. The reference here is to the concepts of management at the corporate level and management at the operational level, the main functions are to plan, to conduct public relations, to raise money, to monitor the performance etc. At the operational level management is concerned with nuts and bolts i.e. production, sales, transportation etc. Obviously at the corporate level, a large number of operating units can be supervised if adequate staff services are provided. Such differentiation in the “corporate” and “Operating” functions can be adopted in the Government also.

## **F. Conclusions**

There is no hard and fast rule about the span of control. In fact it has to be adjusted to the needs of the organization and to the different levels of the organizations. Pfiffner has, therefore, thought it wise to substitute the concept of the “span of control”. By this he meant that as many variables as can be isolated should be studied in any particular situation to come to a conclusion about the number of subordinates a supervisor can supervise.

# Chapter VI

## Supervision

### A. **Meaning**

It is a compound work with two components “super” and “vision”, which would mean overseeing. Supervision would thus involve, overseeing and guiding the activities of the subordinates by their superiors. The nature, form and extent of supervision differ for different levels of the organization. For top management levels it may mean only setting broad goals and reviewing the general progress while at operating levels it means actual physical observation and detailed guidance. Generally the term supervision is applied only to lower level of management. For higher levels the term used is direction. In fact, there is no theoretical justification for making such a distinction. It refers to the work of all those who control by virtue of their authority, irrespective of the nature of work.

### B. **Phase of Supervision**

There are three aspects of a supervisor’s duties viz.,

- (i) Substantive or technical
- (ii) Institutional
- (iii) Personal

Each requiring a different phase or shade of supervision.

#### (i) ***Substantive Aspect***

This is concerned with the techniques of the work. The supervisor has to know the job, plan it, set standards of quality and quantity, assign jobs to different subordinates etc. For doing this he need not be an expert on the job. In fact, on higher

levels of administration less of technical knowledge and more of broad vision and judgment are required.

**(ii) *Institutional Aspect***

This aspect of supervisor's job requires knowledge of policies, procedures and practices of the agency.

**(iii) *Personal Aspect***

It is the important aspect of the supervision. Although the supervisor has the authority to get the job done by their subordinates, but that is never enough. Supervisor has to create an atmosphere in which, by and large, his subordinates are self-motivated to work. This may require much more than formal authority or superior technical knowledge. The supervisor has to master the art of human relationships.

**C. *Techniques of Supervision***

John D. Millet has outlined six techniques of supervision:

- (i) Prior approval of projects
- (ii) Promulgation of service standards
- (iii) Budgetary limitation on different items of work
- (iv) Approval of key subordinate personnel
- (v) Reporting system on work progress
- (vi) Inspection of results.

We propose to discuss below these techniques briefly:

**(i) *Prior Approval***

One way of exercising supervision in Government departments is to follow a system under which subordinate authority has to obtain the prior approval of the superior authority for its plans and programmes. This has the advantage of prior knowledge

and ability to obtain clarifications and suggest modifications and improvements in the programmes.

The system has some disadvantages also. It is a time consuming process and, if taken too far, it can curb the initiative of the subordinates. It may even lead to misunderstanding between the higher management and operating units. This problem can, to some extent, be minimized by delegation of approval authority to appropriate lower levels.

**(ii) *Service Standards***

Laying down the standards for various activities of the organization is a very good technique of supervision. Actual performance can be observed and judged against these standards. To be successful this system requires that:

- (a) Standards should be fixed on the basis of objective and scientific criteria. This may be easy in mechanical and routine activities where time and motion and work studies can help a lot. It may, however, be difficult to fix standards in administrative activities or in activities where the results are qualitative and cannot be measured.
- (b) These standards should be enforced uniformly and regularly so that they can inspire confidence in all concerned.

**(iii) *Performance Budgeting***

Under this technique the budget allocations are so made as to require a particular amount of work to be done in a given period of time. Thus it fixes the targets without taking away the operational autonomy of the subordinate unit. The central control is exercised by observing whether the anticipated results have been achieved against the allocations made. Many countries are using this technique to exercise central control without curbing local initiative.

**(iv) *Approval of Key Personnel***

Under this technique the superior authority reserves the right to approve the appointment of key personnel. The point to be noted is that the selection and appointment is still done by the head of the operating unit. But, by keeping the power of approval in its hands, the superior authority can exercise supervision without taking away the right of operating head to choose his own team.

**(v) *Reporting***

It is the most common technique of supervision in Government departments. The Central Office lays down the scope and format of these reports and their periodicity. The reporting can be a very effective way of supervision, if

- (a) The superiors take pains to read the reports and use them for evaluation of their performance.
- (b) The subordinates themselves read these reports and make self-examination and self-correction. This can be done only if the reports are used for correcting rather than punishing the subordinates.

**(vi) *Inspections***

Reporting and inspection are complementary devices of supervision. This is so because it is not correct on the part of the superior authority to completely rely on the reports sent by subordinate authorities. The idea should not be to find fault, but, to encourage self-examination and improvement. Thus the advantages of inspection are:

- (a) It helps superior authority in assessing the performance of subordinates and tests the veracity of their reports.
- (b) If properly conducted, it can help self-examination among the subordinates.

- (c) It encourages contact between central and field staff.
- (d) It helps central office to locate talent in the field.

#### D. **Qualities of a Good Supervisor**

Some think that the qualities of supervisor are inborn while others feel that any person with normal intelligence and capabilities can become a good supervisor, if he makes effort to acquire the qualities necessary for the job. What are these qualities? One thing is clear that the best worker in the unit need not be the best supervisor. This means that something more than mere technical skill of doing a job better is required to make a good supervisor. Of course job competence is important, but, other things are more important.

The capacity to transfer the job competence to the workers supervised is a very important attribute of a good supervisor. The third and most important quality of a good supervisor is the ability to create job satisfaction and enthusiasm among workers. This requires personal qualities to understand the psychological needs of the workers and to keep them satisfied at work. Prof. Pfiffner has suggested following qualities:

- (i) Job competence
- (ii) Personal qualities like ability to co-operate enthuse and motivate others etc.
- (iii) Teaching ability which includes the ability to learn himself and to impart the job competence to his workers.
- (iv) General outlook and positive outlook towards his job which should help him create spirit de-corps.
- (v) Courage and fortitude which includes the capacity to hold on in difficult circumstances.
- (vi) High moral standards in the supervisors are necessary to set examples for the workers.

- (vii) Administrative capacity is required to co-ordinate the activities of the subordinates.
- (viii) Intellectual qualities of curiosity and innovativeness are required to keep the supervisors abreast of the latest developments.

How, then, to create supervisors? Obviously by training.

### **E. Training Programmes**

The supervisory training programmes should include-

- (i) *Job instruction training* – which means how to instruct a worker to do a job. i.e. the ability to train workers.
- (ii) *Job methods training* – This means training in techniques of laying out methods and improving these methods, but must know that they exist and must be able to use them.
- (iii) *Job Relations Training* to develop ability to deal personally with the workers. This requires training in human relations approach.

# Chapter VII

## Centralization and Decentralization

### A. Introduction and Meaning

To centralize or to decentralize is the dilemma the Government faces. The compulsions of a very complex and planned administration for strong defence and the desire for uniformity pull towards centralization. On the other hand growing commitment to grass-root democracy and growing demand for local autonomy point towards decentralization. To reconcile these opposing trends and to draw a line between them consistent with the efficiency of the system is one of the important problems of organization.

#### *Meaning*

Centralization means concentration of authority at or near the top while decentralization denotes disbursement of authority among a number of individuals and units. The essential element in decentralization is the delegation of decision-making functions. The extent of delegation is, therefore, reflected through (Fasler's analysis).

- (i) importance of matters on which field officials have decision-making authority;
- (ii) extent of consultation with field officers on matters which arise and decided at headquarters;
- (iii) frequency with which field matters are referred to the headquarters;
- (iv) number and specificity of control orders and rules and regulations to govern field decisions;
- (v) provision of appeals by citizens to headquarters for overruling field decisions;

(vi) caliber of field officials.

These are the real indicators of decentralization and not the existence of numbers of the field service or the work-load on them.

## **B. Political and Administrative Decentralization**

Political decentralization means setting up of new levels of Government with autonomous functions. For example the autonomous States in the Indian Union and setting up of Panchayat Raj Institutions mean decentralization of political power. The constitution and the statues setting up the States and Panchayat Raj Institutions respectively define their political set up as well as their powers and functions. These powers are exercised autonomously and without reference to the Union Government. It is a different matter that a great deal of erosion of the autonomy takes place due to financial dependence of the lower Echelons on the higher ones.

## **C. Advantages of Decentralization**

Some of the advantages of decentralization are:

- (i) It relieves pressure on the top administrator by making it possible for decisions to be taken at different appropriate levels. This improves the quality of the decisions which are important enough to be taken by him alone.
- (ii) The dispersal of decision-making power ensures that the decisions are taken faster and that the red tape is reduced.
- (iii) It develops the resourcefulness and self respect of subordinates who are called upon to make independent decisions. It also gives them a feeling of involvement and commitment.
- (iv) It permits experimentation by small units without committing the whole organization.
- (v) It permits or creates healthy competition among the different units.

- (vi) The decisions are taken closer to the clients population who feel encouraged to participate and identify themselves with the programmes of the organization.
- (vii) Rationality is encouraged by encouraging those who know most about technical requirements of the decisions to be taken.

#### **D. Disadvantages of Decentralization**

Some of the disadvantages of decentralization are given below:

- (i) Too much decentralization may lead to anarchy. In any case it makes the co-ordination and integration of administrative operations difficult.
- (ii) It is not desirable to completely decentralize certain functions like budgeting, personnel, planning and programming.
- (iii) It may create inconsistency in general policies.

#### **E. Obstacles to Decentralization**

There are a number of natural obstacles to decentralization of administrative authority.

- (i) There is a natural tendency on the part of the top administrators to concentrate decision-making authority with them.
- (ii) There is a psychological fear that subordinates will make mistake. This becomes much more important in the field of public administration where the administrative decisions have political implications.
- (iii) There has been lack of faith in methods which facilitate decentralization while retaining control. The two important devices are communication of information about the performance and achievement of subordinates and administrative audit to check how delegated power has been exercised.

- (iv) The Public Administration has not yet been able to fully adopt the concept of corporate and operative levels often used by industry.

## **F. Safeguards**

Certain safeguards have to be provided to overcome the obstacles and to mitigate the disadvantage of decentralization. Certain conditions must be fulfilled before the delegation can be really effective. These are:

- (i) Local officers must report to no more than one central agency.
- (ii) Jurisdiction of units must be clearly defined.
- (iii) Procedure in various field units must come up to common standards – not necessarily uniform.
- (iv) The local agency must have a sufficiently flexible physical and psychological structure to permit it to adjust to emerging local conditions.
- (v) The field units must not have the authority to make decisions affecting general policy.
- (vi) Suggestions from the field to centre must have a free flow.
- (vii) Adequate reporting and inspection must provide the Chief Executive with full knowledge of peripheral operations.

## **G. Evaluation**

Centralization or decentralization are not matters of some absolute principle. Fedler has outlined four kinds of factors which are relevant in deciding for a centralized or a decentralized system. These are:

- (i) factors of responsibility
- (ii) administrative factors
- (iii) functional factors

(iv) external factors.

We describe below these factors in brief:-

*Authority Factor means* that authority and responsibility go hand in hand. So long as the top administrator is held responsible for any action, he will be reluctant to delegate or decentralize the decision-making.

*Administrative Factors* include the nature and variety of functions performed by the agency, technical nature of the functions and the need for uniformity. Certain functions like planning, Defence, communication, transport etc. requiring nationwide uniformity tend towards centralization; other like agriculture, social welfare etc. can be decentralized to appropriate levels.

*Functional Factors* include the demand for popular participation in programmes and the pressure of political parties. Demand for statehood of union territories, demand for planning from below come into this category.

There are thus many variables that have to be considered before one can decide about the extent of centralization or decentralization in any organization in a given situation.

## Chapter VIII

### Delegation

#### A. Meaning

In any organization, theoretically speaking, the entire authority is vested in the head of the organization. In a small organization the head or the chief may even be able to exercise this authority all by himself. But, in a large organization, where the tasks to be performed are varied and complicated, it is impossible for the chief to directly control all the tasks. He has to take the help of others in doing so. Further the principle of limited “span of control” makes it clear that he can effectively control and supervise the work of only a few subordinates in a large organization, therefore, he has to learn the art of controlling the organization through others. If the organization is very large, his immediate subordinates also have to learn the same art. In the organizational parlance the executive at different levels of organization have to delegate their functions or part of their functions to their subordinates. Only by such a chain of delegation can any large organization function effectively.

Delegation essentially involves grant or conferment of authority by a superior to his subordinate for performance of particular functions. This is different from decentralization which means a legal devolution of authority, to any particular level of organization, or to a different organization. Such a person or organization exercises this authority independently and without reference to any superior authority, functionary or organization. For example, certain powers are conferred on Sub-Divisional Officers, who exercise these powers independently and pass orders under these provisos of Land Revenue Code without reference to any other officers of authority. Although they function under the supervision and guidance of the Collectors, they are not authorized to give them directions in exercising powers conferred on them by the Land Revenue Code. However, there are several other administrative functions which the Sub-Divisional Officers have to perform according to the directions of the Collectors. In the performance of these functions, their authority will be limited to

the authority delegated by the Collectors. Some authors have therefore defined delegation as “Transfer of functions” and not a transfer or devolution of authority. According to them the authority continues to remain with the delegating authority. It means that the delegating functionary continues to be responsible for the work of the subordinate to whom he has delegated the functions. Theoretically there may be some distinction between the transfer of authority and the transfer of function. But, in practice, there is very little distinction between the two. It is well known that the authority and responsibility go together. If any function is transferred to a subordinate, the requisite authority to perform this function will also have to be delegated. The real meaning of delegation would then be that it is devolution of authority by a persons to his agent or subordinate subject to his right of supervision and control. Legally the delegated authority still belong to the delegator, but, in practice the subordinate is allowed to exercise this authority to perform the function delegated to him.

Some authors say that the delegation of authority need not always be from the superior to the subordinate. The authority can be delegated downward, upward and sideways, For example, the share holders of a company delegate their authority to the Board of Directors, which is obviously a case of delegation to a higher authority, i.e. upward delegation. Similarly there is nothing abnormal about a person delegating his authority to his colleagues in the organization. This is an example of side-ward delegation, to a person who is equal in authority. Essentially, delegating involves entrustment of a part of work to another and creation of accountability for performance. The authority and responsibility remains with the delegator.

## **B. Advantages of Delegation**

- (i) Delegation enables distribution of functions among the different functionaries of the organization. The organization is, therefore, able to handle a large volume for work in an orderly fashion.
- (ii) The Chief Executive requires more time for planning and policy formulations. He cannot continue to busy himself with minor details of different tasks to be performed by the organization.

He can save his time for important functions by delegating the minor functions to his subordinates.

- (iii) Delegation helps the Chief Executive in building up his subordinates. One really learns a task best by performing it. If one is required to perform certain functions by himself his skills and self-confidence increases. By a process of progressive delegation his competence can be built up and he can become an asset to the Chief Executive and to the organization.
- (iv) Large organizations are often dispersed in space. Several units are located at places very far apart. Although the techniques of communication have reduced the distances, but a great deal of delegation is required to run these organizations efficiently and effectively. The local managers are required to take quick decisions on the spot. They cannot do so unless sufficient authority is delegated to them. If all the time they are required to refer to their superiors located far away, they will not be able to perform their functions properly and the organization will suffer.
- (v) One of the important functions of the top leadership is to prepare the organization for smooth succession. Even the most efficient and energetic managers have to retire some day. If they do not create a second line of leadership to take over at the time of their exit, the organization is likely to face a leadership vacuum at the crucial time. Good Chief Executive, therefore, start delegating key functions to their trusted subordinates to prepare them to take over at the right time. In this way delegation of authority can play a very important role in planning for succession.

### **C. Principles of Delegation**

The advantages of delegation mentioned above do not flow automatically by the mere process of delegation. Thoughtless delegation may even be harmful for the organization. To derive full advantage from delegation, the following principles have to be observed by the delegating authority.

- (i) Delegation should be very clear and precise. It should be known as to how much authority has been delegated to whom. Any conditions governing the delegation must also be clearly laid down. The fact of delegation should be well-known in the organization so that every one understands the position vis-à-vis all others.
- (ii) Any delegation is meant to facilitate performance of certain functions. The delegatee is supposed to perform the function assigned to him by the delegator. Obviously for the performance of these functions the delegatee requires certain resources. He should be given the necessary authority to command these resources. He would otherwise not be able to perform his functions efficiently. In other words, the authority delegated should match the functions to be performed.
- (iii) It should be clearly understood by the delegating authority that there is nothing like a complete delegation. He has to delegate some of his functions but has to retain the ultimate control with himself. He must remember that he continues to be responsible for the work performed by the subordinates to whom he has delegated some of his functions.
- (iv) The principle of unity of command has to be strictly observed, in any scheme of delegation. Any subordinate should be responsible only to one superior. In other words, delegation should respect the chain of command and channel of communication.
- (v) The delegating authority should frequently communicate with the subordinate to whom certain functions have been delegated. While the delegator should not interfere in the day-to-day functioning of the delegatee, but, should be available for any advice and guidance, if sought by the delegatee. He should encourage the delegatee to function independently within the guidelines given to him, but should not refuse to guide him if he requires such guidance occasionally.
- (vi) Since the delegator is ultimately responsible for the work performed by the delegatee, he should lay down proper control

procedure. While there should be no interference with the day-to-day performance of functions by the delegatee, but reports and returns may be prescribed to judge the performance periodically. Occasionally the delegator may also like to inspect the work being performed by the delegatee. Of course, adequate care should be taken to ensure that the control procedures do not interfere with efficient functioning of the delegatee. There has to be a proper balance between the independent performance of functions by the delegatee and the control exercised by the delegator.

- (vii) The delegating authority has to ensure that the delegate acquires the necessary skills to perform his task, efficiently. If the delegatee needs some special coaching or training, it should be arranged by the organization. In fact such a step should be taken before the tasks are actually delegated. No scheme of delegation can succeed if the subordinates are not adequately prepared to accept the responsibility for the functions to be performed by them.

#### **D. Obstacles to Delegation**

Delegation is a difficult art, and requires a great deal of care and attention, for its success. Most of the chief executives and senior executives find it difficult to delegate their functions to their subordinates. Some of the important obstacles to delegation are listed below:

1. Persons in senior positions have a very highly inflated ego. They do not consider their subordinates worthy of delegation.
2. Senior executives often feel that others below them will not be able to perform as well as they do. In fact, delegation requires an acceptance of the fact that others can perform, the same task in a different but equally effective manner.
3. In the field of public administration, political considerations often make delegation difficult. If the functions are delegated to lower levels, the political leadership may find it difficult to influence the decisions directly. Senior executives feel that

disloyal subordinates may develop their own bases of power which may be detrimental to the interests of the organization. Obviously delegation requires retention of control which many executives find it difficult to enforce.

4. Delegation requires a certain level of emotional maturity which is very often not there in senior executives.
5. Cultural factors also play a role against delegation of authority by the senior executives. The authoritarian traits of our patriarchal society often militate against the process of delegation, which requires shedding of responsibility and authority in favour of subordinates.
7. The science of organization and management has not yet been able to evolve exact principles of delegation. The executives have, therefore, to explore the ways of delegation according to their own circumstances. It requires time and effort to do that. Most of the people do not like to take pains to undertake this task.
8. The work experience of most of the executives does not provide any guidelines to practice delegation.

#### **E. Limits of Delegation**

It has been mentioned above that delegation can be a very effective way of improving organizational performance. But, there are certain functions which cannot and should not be delegated. Some authors have enumerated the following such functions:

1. Supervision of the work of immediate subordinates.
2. power to sanction new policies and plans.
3. Power to sanction substantial departures from the established policies and precedents.
4. Making policy level appointments.

5. Hearing appeals against the decisions of specified levels of subordinates.
6. General financial supervision and power to sanction expenditure, above a specified limit.
7. Rule making power which is vested in the delegating officer.
8. Power to take disciplinary action against senior officers.

**F. How to promote delegation?**

To overcome the obstacles to organization we have to take steps to change the behaviour pattern of the senior executives as it is mainly their personal traits which obstruct delegation. At the same time, organizations have to create a climate in which delegation can be practiced.

Clinical psychology and psychiatry are now been widely used to reduce tension and anxiety. These disciplines can also be used to test the entrance to the organization about their personal traits. The same disciplines can also be used to induce desirable behaviour patterns that make for better human relationships within the organization. Changing human behaviour is a difficult process and takes time. But it is desirable to do so in the interest of improving organizational performance.

The organizations can also take certain steps to encourage the process of delegation. Defining authority and responsibility of each persons in the organization can help everyone in knowing and accepting one's responsibility. Standardization of work procedures and setting performance standards may help in forcing the unwilling subordinates to accept responsibility.

Effective control procedures should be enforced in organization. Such procedures can go a long way in creating climate suitable for delegation in the organization. These procedures create confidence in the superior that they can delegate their functions without fear of losing control. The subordinates also know the expectations of the

organization from them. They would accordingly be expected to perform better to meet these expectations. Some methods should be devised to assess the effects of delegation periodically. In case delegation of certain functions is not proving effective, the same may be modified or given up. It will create greater confidence in the process. If such evaluation is carried out by an independent organization.

## **G. Conclusion**

It would be obvious from the foregoing discussion that delegation is inevitable in large organizations which are the order of the day. Delegation improves the capability of the organization to perform its functions. However, the practice of delegation requires a great deal of care and attention. The scheme of delegation has to be clear and precise and has to be tested periodically for its effectiveness. There is no ready made recipe for success in this regard. The senior executives of the organization have to devise their own methods of delegation, according to circumstances prevailing in their organizations.