

**Mahavir Polytechnic, Nashik**  
**Department of Artificial Intelligence and Machine Learning**

**Year: TYAN**

**Subject: Management (315301)**

**UNIT 2: Planning and Organizing at Supervisory Level**

**Marks:**

**14 Course Outcome 2: Use principles of planning and organizing for accomplishment of tasks.**

**Syllabus (Unit Outcome):**

- 2.1. Differentiate the nature of planning and planning activities for the given situation.
- 2.2. Suggest the step wise procedure to complete the given activity in the shop floor.
- 2.3. Prepare materials and manpower budget for the given production activity.
- 2.4. Describe with block diagrams the organization of the physical resources required for the given situation.
- 2.5. Describe the human needs to satisfy the job needs for the specified situation.
- 2.6. List the tasks to be done by the concerned individuals for completing the given activity

**2.1 Planning by Supervisor**

**2.1.1 Planning definitions**

Planning is the function of management that involves setting objectives and determining a course of action for achieving those objectives. Organizing: is the function of management that involves developing an organizational structure and allocating human resources to ensure the accomplishment of objectives.

Planning involves conviction of specific objectives, programs, setting policies, strategies, rules and procedures and preparing budgets. Planning is a function which is executed by managers at all levels – top, middle and supervisory.

- **According to Koontz and O'Donnell** “Planning is deciding in advance what to do, how to do it, when to do it and who is to do it. It bridges the gap from where we are and to where we want to go. It is in essence the exercise of foresight”.
- **According to M.S. Hardly** “Planning is deciding in advance what is to be done. It involves the selection of objectives, policies, procedures and programs from among alternatives.
- **Heying and Massie define** “Planning is that function of the manager in which he decides in advance what he will do. It is a decision-making process of a special kind. It is an intellectual process in which creative mind and imagination are essential”.

## 2.1.2 Importance of planning

Planning is very important in all types of organization whether business or nonbusiness, private or public, small or large. The organization which thinks much ahead about what it can do in future is likely to as compared to one which fails to do so. Planning is important because of the following reasons.

1. **Planning provides directions:** Planning assures that the objectives are certainly asserted so that they serve as a model for determining what action should be taken and in which direction. If objects are well established, employees are informed of what the company has to do and what they need do to accomplish those purposes.
2. **Planning decreases the chances of risk:** Planning is an activity which permits a manager to look forward and predict changes. By determining in prior the tasks to be completed, planning notes the way to deal with changes and unpredictable effects.
3. **Planning decreases overlapping and wasteful activities:** Planning works as the foundation of organizing the activities and purposes of distinct branches, departments, and people. It assists in avoiding chaos and confusion. Since planning guarantees precision in understanding and action, work is conducted on easily without delays.
4. **Planning encourages innovative ideas:** Since it is the primary function of management, new approaches can take the form of actual plans. It is the most challenging project for the management as it leads all planned actions pointing to growth and of the business.
5. **Planning aids decision making:** It encourages the manager to look into the future and make a decision from amongst several alternative plans of action. The manager has to assess each option and pick the most viable plan.

## 2.1.3 Hierarchy of plans

The following are the arrangement of plans in a hierarchy:

- Mission
- Goals and Objectives
- Strategies
- Policies
- Procedures
- Rules
- Programs
- Budgets



## 1. Mission

The mission is the reason for the existence of an organization. It clears what an organization wants to provide to society i.e. product or service. It tells who we are and what we do as well as what we would like to become. The mission is developed by top-level management, which defines the fundamental unique purpose that sets an organization apart from other organizations of a similar type. It also involves the company's philosophy about how it does business and treats its employees.

## 2. Goals and Objectives

Goals are planned results to be achieved. These are accomplished by destinations that an organization plans to reach. Goals specify what is to be accomplished and by whom and should be shown in quantitative terms. They should be consistent with the mission of an organization.

## 3. Strategies

It is one of the important parts of the hierarchy of planning in management. The strategy is a comprehensive master plan stating how an organization will achieve its mission and goals. It determines the basic long-term objectives of an organization's adoption of the course of action and allocation of resources necessary to achieve advantages and minimize the desired goals. It maximizes competitive disadvantages.

## 4. Policies

The policy is a comprehensive guideline for decision making that links the formulation of strategy with its implementation. It defines the area within which a decision is to be made and ensures that decisions will be consistent with objectives. Managers develop policies to make sure that employees of the organization make decisions and take actions that support the mission, goals, and strategies.

## 5. Procedures

Procedures are the sequential steps that describe in detail how a particular task is to be performed. They generally indicate how a policy is to be implemented and carried out. They are the guides to action and detail the exact manner in which certain activity must be accomplished.

## 6. Rules

Rules are detailed guides to action. They are specific and rigid and are strictly to be obeyed by all the members of an organization. It is essential to operate an organization in an orderly way. They must be followed precisely and observed strictly. The violation of rules is associated with disciplinary action.

## 7. Programs

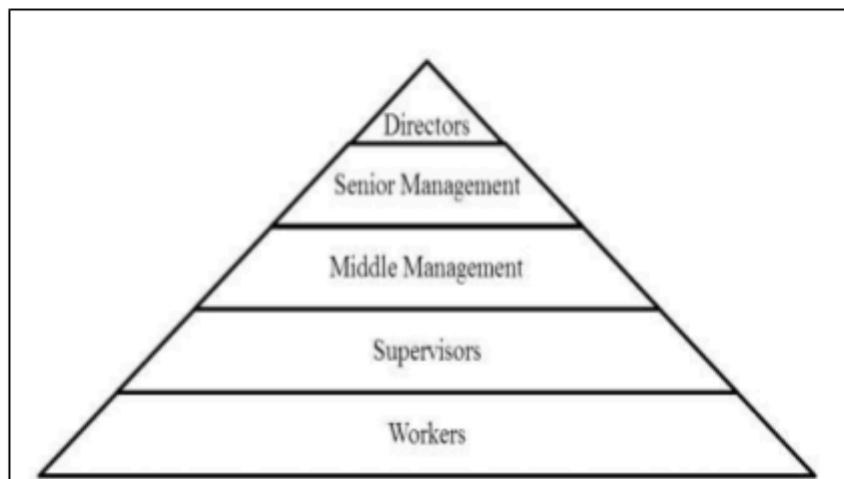
Program is a statement of activities essential to accomplish a single-use plan. It is a comprehensive plan consisting of a complex set of goals, procedures, rules, resource flow, etc. It is an aggregate of several related action plans that are designed to accomplish a mission.

## 8. Budgets

The budget is a short-term financial plan, which is presented in terms of money. It is designed to allocate the resources of an organization. It is the basis of measuring actual performance achieved with that of standard and identifying the variance.

### 2.1.4 Planning at supervisor level

Supervisor is a person who is in charge of, and coordinates the activities of a group of workers engaged in related activities within a unit of an organization. He is a front-line manager. He is responsible for getting the work done from workers with respect to plans and policies set by the management. A supervisor plan, direct, motivate, and monitor the work performed by workers at the operational level of the organization. Place of supervisors in the organizational structure is given in below figure



The job of a supervisor is mainly focused on supervision which involves activities like instructing, monitoring, guiding, and observing the workers and to ensure whether they are performing their duties with respect to work assigned. So, he plays very important role in the organizational functioning. Supervisors connect the workers to the management and vice versa and hence become the primary person for the bidirectional flow of information within an organization.

## Types of plans:

Plans commit the various resources in an organization to specific outcomes for the fulfillment of future goals. Many different types of plans are adopted by management to monitor and control organizational activities. Three such most commonly used plans are hierarchical, frequency-of-use (repetitiveness) and contingency plans.

### 1. Strategic Plans

Strategic plans define the framework of the organization's vision and how the organization intends to make its vision a reality.



### 2. Tactical Plans

Tactical plans describe the tactics that the managers plan to adopt to achieve the objectives set in the strategic plan.

### 3. Operational Plans

Operational plans are short-term (less than a year) plans developed to create specific action steps that support the strategic and tactical plans.

Operational plans can be a single-use plan or an ongoing plan.

- **Single-use plans** apply to activities that do not repeat. These are one time plans like a special sales program as it deals with who, what, where, how, and how much of an activity. A budget is another example of a single-use plan because it predicts sources and amounts of income; also it predicts how much they are used for a specific project.

- **Continuing or ongoing plans** are usually made once and retain their value over a period of years while undergoing periodic revisions and updates. These are recurring plans.

#### 4. Contingency plans

Contingency planning involves identifying alternative courses of action that can be implemented if and when the original plan is not adequate due to changing circumstances

### 2.2 Planning activities, detailing and following of each step

#### 2.2.1 Functions of planning by supervisor

An organizational strategic plan always defines its long-term goals and mission. We must define the necessary daily operations and participating groups to achieve these goals, i.e. we must do operational planning. Supervisors play an important role in the function, and success, of such operational planning.

#### Role and Responsibilities of supervisor while planning activities

1. Planning and Organizing
2. Provision of working conditions
3. Leadership and Guidance
4. Motivation
5. Controlling
6. Linking Pin.
7. Grievance Handling
8. Reporting
9. Introducing new work methods
10. Enforcing Discipline

#### Scope of plans for supervisor

- Supervisors make short-term planning which can involve scheduling daily activities, raw material, completing production targets purchasing etc.
- Supervisors look into work of his subordinates. He takes care of work flow.
- Supervisors look after Subordinates report to him about their work.
- Supervisors are internally focused in planning. They manage groups of employees. Their duties are focused on internal operations.
- Supervisor's plans the budget related to manpower, overhead, raw material and other projects small expenses.

#### 2.2.2 Steps in Planning and detailing activities

The planning process is different from one plan to another and one organization to another.

The steps generally involved in planning are as follows:

- (1) **Establishing goals/objectives:** The first step in planning process is to determine the enterprise objectives. These are set by upper level managers after number of objectives has been carefully considered. The objectives set depend on the number of factors like mission of the organization, abilities of the organization etc., Once the organizations objectives are determined, the section wise or department wise objectives are planned at the lower level.

**(2) Establishing planning premises:**

- This is the second step in planning. It involves the conditions under which planning activities will be undertaken.
- Planning premises are planning assumptions or factors like the expected environmental factors, pertinent facts and information relating to the future such as general economic conditions, population trends, competitive behavior etc.

**(3) Deciding the planning period:**

- Once the long term objectives and planning premises are decided, the next task is to decide the period of the plan.
- Some plans are made for a year and in others it will be decades. Companies generally base their period on a future that can reasonably be anticipated.

**(4) Identification of alternatives:**

A particular objective can be achieved through various actions. For example an organization's objective is to grow further which can be achieved in several ways like expanding in the same field of business or product line, diversifying in other areas, joining hands with other organization, acquiring other organizations and so on. With each category there may be several alternatives.

**(5) Evaluation and selection of alternative:**

- After the alternatives are identified, the next step is to evaluate the alternatives according to the premises and goals, and to select the best course of action.
- This is done with the help of quantitative techniques and operations research. In addition, software packages are available for evaluating alternatives.

**(6) Developing derivative/supportive plans:**

After the best plan is selected, various other plans are derived so as to support the main plan. These may be plans for buying equipment, buying raw material etc. They are derivative plans /supportive plans formulated to support the main plan.

**(7) Measuring and controlling the process:**

Managers need to check the progress of their plans so that remedial action can be taken to make plan work or change the plan if it is unrealistic. Hence process of controlling is a part of any plan.

## **2.3 Prescribing standard forms for various activities**

Supervisor plays vital role in carrying short term plans of organization. For that supervisor must deals with available resources, manpower by keeping customer expectations in mind.

- The planning can be machine wise planning, manpower planning, material flow, appropriate method for implementation or any measurement.

- So, to do all these activities supervisor requires a systematic documentation. Thus, prescribed form helps the supervisor and his team to carry out tasks very efficiently. It also brings standardization in the work, enable right decision making, effective utilization of available resources, establishing link between authority and responsibility, clarity in the work etc.
- Few standard forms for various activities are as below:
  1. **Material Requisition Form**-This form is used to procure material from supplier to factory so that production will not be stopped. The requirement of raw material is communicated to supplier through factory.
  2. **Raw material received report**-It helps supervisor to keep information about whether all received material is as per the order given.
  3. **Raw material inter-processing form**-This form can be used to handover particular raw material from one person to another person or one process to another process. Keeping record of material transferring can help supervisor to determine at which place raw material need to be ordered.
  4. **Job description**-It is also called as work assignment sheet. With this form the worker will be able to know details about job, his duties and responsibilities while performing job, do's and don'ts while performing job and any other specific information related with it.
  5. **Machine Planning**-It can include details like technical information of machine, capacity of machine, time for which we can use machine, type of work which we can do on particular machine.
  6. **Issue of Tools**- . It will help supervisor to identify record of usage of tools. He would be able to locate tool if the same tool is required for other work at different place.

## 2.4 Budgeting for materials and manpower.

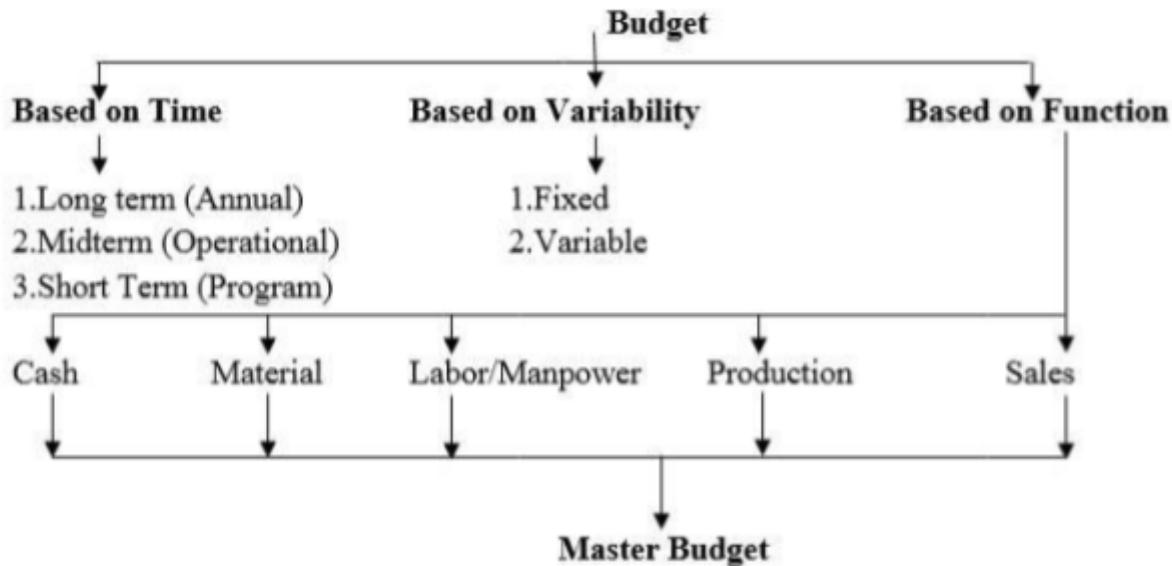
### 2.4.1 Introduction to Budget

The budget is the plan which intends to figure out expected operations revenue and expenses of an organization for a future time period. In other words, for a business entity budgeting is the process of preparing detailed statement of financial results that are projected for a certain period of time. Budgeting is to estimate the future while taking the management inputs considering internal and external factors of the organization.

In every organization, finance department plays a key role in preparation of budget in consultation with higher management. Budget is a document, which is referred for the health check of the organization during the budgeted period.

Budget is prepared to carry out various functions like planning activities, controlling activities, developing projects, testing and implementing programs etc. There are various such functions for which an entity prepare budget. Budgeting can increase the chances of making profits within the given environment and help decision making process of management.

## Types of budget



## ORGANIZING AT SUPERVISORY LEVEL

### 2.5 Organizing the physical resources

Organizing is the function of management which is followed after planning. Organizing is necessary for systematic and smoother functioning of any organization. Assigning the work and granting the authority to attain goals are two important elements in organizing at supervisor level.

**According to Chester Barnard**, "Organizing means person is able to define the role positions, the jobs related to the role position, the co-ordination between authority and responsibility."

**According to Theo Haimann**, "Organizing is the process of defining and grouping the activities of an organization and establishing the authority relationships between them."

**According to Louis Allen**, "Organizing is the process of identifying and grouping the work to be performed, defining and delegating authority-responsibility, and establishing relationships for the purpose of motivating workers to work most effectively together while achieving the organizational objectives."

We can say that organizing is the process of arranging resources, allocating the work authority, and allocating available resources among the members of an organization to achieve the organizational goals. Organization establishes relationship between people and work resources.

Organizing at supervisory level can be in the form of

1. Developing job descriptions,
2. Designating tasks,
3. Defining responsibilities of the workers with the specific skill sets needed to complete the tasks,
4. Fixing locations of equipment,
5. Collecting data for developing of budgets,

6. Arrangement of workstations and storage areas,
7. Resolving conflict among subordinates

### 2.5.1 Importance of Organizing

A comprehensive approach to organizing helps the management in many ways. Organizing aligns the various resources towards a common mission.

**Efficient Administration-** It brings together various departments by grouping similar and related jobs under a single specialization. This establishes coordination between different departments, which leads to unification of effort and harmony in work.

**Resource Optimization-** Organizing ensures effective role-job-fit for every employee in the organization. It helps in avoiding confusion and delays, as well as duplication of work and overlapping of effort.

**Benefits Specialization-** It is the process of organizing groups and sub-divide the various activities and jobs based on the concept of division of labor. This helps in the completion of maximum work in minimum time ensuring the benefit of specialization.

**Promotes Effective Communication-** Organizing is an important means of creating coordination and communication among the various departments of the organization. Different jobs and positions are interrelated by structural relationship. It specifies the channel and mode of communication among different members.

**Creates Transparency-** The jobs and activities performed by the employees are clearly defined on the written document called job description which details out what exactly has to be done in every job. Organizing fixes the authority-responsibility among employees. This brings in clarity and transparency in the organization.

**Expansion and Growth-** When resources are optimally utilized and there exists a proper division of work among departments and employees, management can multiply its strength and undertake more activities. Organizations can easily meet the challenges and can expand their activities in a planned manner.

### 2.5.2 Roles of supervisors while organizing of physical resources

- Supervisors have the right to give orders i.e. authority. They are also liable to accept responsibility for whether the work is done correctly. The status of work done shall be communicated to higher level of management.
- Supervisors are responsible for exacting discipline among workers.
- Supervisors are also responsible for building morale among workers.
- Supervisors must offer loyalty and cooperation towards workers while organizing resources.
- Employees are to be treated equally and fairly.
- Supervisors shall encourage initiative among workers.
- The unity of command requires the workers to report only to one superior.
- It is also necessary that all individuals including managers and supervisors must have their personal interests as last priority.
- Orders/instructions shall flow down through chain of command i.e. from the higher manager to the supervisor. Formal communications and complaints are to move upward in the same channel.

### 2.5.3 Process of organizing physical Resources

Following are the steps for organizing resources at supervisory level

1. **Determination of Objectives:** This activity mostly done by top level management. As per authority given managers and supervisors determines the objectives to be accomplished within limited frame of time.
2. **Deciding various activities:** All activities to be performed are determined. Further these activities are divided into groups, sub-groups and individual activities. For doing this principle of specialization and division of work must be done. For example, preparation of accounts, record keeping, quality control, inventory control, etc.
3. **Grouping of activities:** The supervisor tries to combine and group similar and related activities into smaller units. It is also called as departmentation. The similar activities are then grouped together to avoid duplication of efforts, confusion, wastage of resources, wastage of time etc.
4. **Assignment of responsibilities of definite persons:** In this stage specific jobs are assigned to concerned person. It is the process of giving right work to right man at right place.
5. **Delegation of authority:** The authority has been given to person to whom work is assigned. This is for motivating the person to perform his assigned work independently by using his/her own skills.
6. **Providing physical facilities and proper environment:** Physical facilities like machine, resources, tools are provided to person. Also, it is responsibility of supervisor to provide good healthy environment to the workers so that they can perform well. The proper environment includes adequate lightening, ventilation, reasonable work hours, rest intervals, safety devices etc.

### 2.5.4 Principles of Organizing

The principle of organizing guides the organizing function of management. Some principles are:

1. **Scalar Principle:**  
It is also known as the ‘chain of command’. It is an unbroken line of command/ authority from the top level to the bottom of an organization. This chain of command should be short and clear. If it could be, the decision-making and communication will be more effective and efficient.
2. **Principle of flexibility:**  
The organizational structure should be flexible. It should be adaptable to changing circumstances or situations. It should easily permit any expansion and replacement without dislocating the basic design of the organization.
3. **Principle of authority:**  
Authority means the right and power. It is the tool that makes the manager able to accomplish the desired goals. Hence, the authority of each manager should be clearly defined and it should equal responsiveness.

**4. Principle of delegation:**

Under this principle of delegation of authority, rights, and power should be equal to responsibility so as to enable each manager to accomplish the task assigned to him/her.

**5. Principle of unity of command:**

According to the principle of unity of command, each subordinate should have one superior, whose command has to be obeyed. If a person is to receive a direction from several superior, it may result in confusion, chaos, conflict, and indiscipline. So, there should be unity of command in an organization.

**6. Principle of the span of control:**

The span of control is a principle or it is a device, with the help of which a number of subordinates can be controlled, their number can be determined and the activities can be supervised.

**7. Principle of unity of objectives:**

Organizing helps to achieve the goals and objectives of the organization which affects the organizational structure. So, the goals and objectives of an organization should be clearly defined. The objectives should be defined very clearly for each department, for each section and even for each position of the organizational structures. All the objectives should be unified in such a way that it could facilitate to concentrate all the efforts towards the attainment of an organizational goal.

**8. Principle of efficiency:**

The organization should increase its efficiency in such a way that the cost or expenditure of the mission and objectives of the enterprise below. An efficient organizational structure helps to operate the resources efficiently. Hence, it ensures optimum utilization of resources.

**9. Principle of a division of works:**

The division of work can be created where the separate nature of jobs can be performed. Effective departmentation as per the work and task can be created and it is an important principle of the organization.

**10. Principle of unity of direction:**

There should be one objective (unified objective) and plan for the group activities. If it could be a direction from the superior it will be the same to all subordinates. All the subordinates will be receiving the same direction in their respective works and thus under this principle of unity of direction, they will be free from dilemma about obeying diversified direction. This will also facilitate the verification and coordination of activities.

**11. Principle of simplicity:**

This principle emphasizes the simplicity of the organizational structure. If there exists a long member of levels in an organization, there is a possibility of difficulty in communication and coordination. It clears that the activities and the system of an organization should be simple and easy to understand.

**12. Principle of responsibility:**

The principle of responsibility makes the superior responsible for their authority. In a sound organization, the superior is responsible for the performance of subordinates. The authority can be delegated but not responsible.

**13. Principle of balance:**

There should be a proper and reasonable balance in works and activities and the size of departments within the organization. Further, there should also be a reasonable balance between centralization and decentralization. Overemphasis of any type and preferences to anyone should be avoided.

**14. Principle of specialization:**

The principle of effective organization provokes specialization. Under this principle of specialization, the total task of an organization is divided in such a manner that every person is confined to a single and particular job, which leads to specialization of work

## **2.6 Matching Human need with job Needs**

### **2.6.1 Matching Process**

The major role of supervisor is to match right people for right job description. It is also called as matching people to job needs. It is very complex and time-consuming activity. Success of organization will only follow after careful matching of people to job.

- If matching process is not done properly then we may not get right person, even by offering high salaries, by various manpower sources, by carrying expensive recruitment drives will not give right person.
- For purpose of matching the person shall look for following two important factors
  1. Why people work
  2. Why people work for you

#### **2.6.1.1 Why People Work**

- Generally, people work for any organization because they need to earn money. But money is not everything, sometimes they can earn more money by doing other jobs
- Following factors can play vital role to answer of question “why people work” which can become motivators if fulfilled.
  - **Salary**
  - **Security**
  - **Satisfaction**
  - **Status**

#### **2.6.1.2 Why People Work for you**

The matching process defines the relationship between job description and matching people to the job. The matching process gives the answer of question that why people work for you. The man's needs must be satisfied by the job requirements.

### **2.6.2 Components of the Matching Process**

We must refer to job description for the process of matching people to the job. Following are the components while matching people to the job.

1. Knowledge
2. Skill
3. Experience
4. Personality

## 2.7 Allotment of task to the individual and establishing relationship among persons working in group

### 2.7.1 Allotment of task to the individual

If the given task to the individual is very complex in nature then the task can be divided among group of the workers. This can be further divided into sub-groups as per requirement. This will create the culture of group dynamics (team work) in an organization. The supervisor is responsible for monitoring progress of each group to which the work is allotted.

### 2.7.2 Establishing relationship among persons working in group or Group Dynamics

- Two or more person forms a group. The group with common objective or predefined purpose forms a team which has force of relationship among them
- Group dynamics is a process in which people interact with each other in smaller groups to perform the assigned work.
- Every group creates the group leader or leaders. The suggestions are always welcomed in a group so that the work can be performed more efficiently.
- Forming such groups at workplace provides good human relationship at workplace as persons in a group share their ideas, problems, suggestions and solutions.
- An individual feel secured while working in the group. So indirectly it will enhance the productivity of the group which leads to get championship.

#### Types of Groups

Every organization has two types of groups on the basis of its structuring.

1. Formal Groups
2. Informal Groups

#### Formal Groups:

- It is approved small sub unit of organization.
- It is generally formed for carrying out a specific work to achieve predetermined goal of the organization.
- Formal groups are based on specialization of workers and similarity of skill sets in that specialized group.
- After planning we can group the all activities of the organization and put all these activities under formal structure or formal group. Also, we must decide the goals, objectives and strategies which are supposed to be achieved by individual formal group. Finally, formal group members are responsible to report status of work to the supervisor.
- Examples of formal groups are Committees, Project Teams, Task Forces, Command Groups, and Technological Groups etc.

#### Informal Groups:

- Informal groups are formed within a formal organizational structure. Informal groups are created due to socio-psychological forces exists at the workplace.
- The like-minded people or person with same attitude or personality can form such groups. These groups are not related to the work. So, the constructive use of informal groups may benefit an organization. But its inefficient management may reflect unproductiveness.
- An example of informal groups are friendship group, interest group, reference group, membership group etc.

- Friendship groups or interest groups are formed by like-minded people.
- Interest groups are composed of individuals who may not be members of the same organization but they are united by their interest in a common issue.
- Membership groups are formed for the affiliation related needs.

## Difference between formal groups and informal groups

Formal Groups	Informal Groups
Formed by an organization or institution.	Form spontaneously or naturally.
Defined structure and hierarchy.	Lack a formal structure or hierarchy.
Have specific objectives or goals.	Center around shared interests or values.
Governed by official rules and regulations.	Governed by norms and shared understandings.
Communication is structured and formal.	Communication is casual and spontaneous.
Decision-making follows a structured process.	Decision-making can be more flexible and adaptive.
Success is often measured by the achievement of objectives.	Success may be more subjective, based on the satisfaction of group members.
Membership is based on professional criteria.	Membership is often based on personal relationships or mutual interests.
Conflict resolution follows formal procedures.	Conflict resolution is often spontaneous and interpersonal.
Group longevity is often linked to the existence of the organization.	Group longevity can depend on the durability of the shared interests or relationships.

<https://onlinemsbte.home.blog/management22509/>

<https://testbook.com/key-differences/difference-between-formal-and-informal-groups>