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Q1. How do organizations cope with/postpone prospered obsolescence of managerial personnel. Discuss the role of leadership in the process. Explain with an example from an organization known to you. Please describe the organization briefly.

Solution : Obsolescence of Managerial Personnel:

Obsolescence is the state of a being which occurs when an object, service or practice is no longer wanted even though it may still be in good working order. Obsolescence frequently occurs because a replacement has become available that is superior in one or more aspects. **Obsolete** refers to something that is already disused or discarded, or antiquated. Typically, obsolescence is preceded by a gradual decline in popularity.

Managers and executives, after 20 to 25 years of work experience, often find themselves having reached a plateau where, on the hand, the prospects of enhanced status, increased pay and perks are no longer motivators enough to work hard; and on the other, they find they are unable to relate to the latest managerial knowledge and skills and feel totally lost. In both cases, these managers cease to be productive and become a drag on the organization in terms of their heavy cost and inability to make meaningful contribution. This is the problem of managerial obsolescence, that is when managers become unproductive, or out of date, or both. In the situation where lack of motivation seems to be the cause, the solution lies in redesigning their job content to make it more meaningful. Mineral Makeup helps remain young to manager and not out of date. An aerospace company designates its senior engineering managers as consultants to its groups of young engineers, thus providing the right outlet for their rich experience.

Training programmers aim to provide or improve knowledge and skills which can help the manager improve his performance on the job. Many companies regularly sponsor their senior managers to attend such training programmes. Other companies invite experts to their own company premises to courses, and basic course in functional areas workshops. Training programmes, refresher courses, and basic courses in functional areas are the solution for managers facing knowledge obsolescence.

These training programmes are not restricted to senior managers alone. In fact, younger managers can also benefit from these programmes, especially those which provide knowledge of other functional areas such as production for non-production managers. Also beneficial for the young managers are workshops aimed at training them for the top level managements posts.

Types of obsolescence

Technical obsolescence

Technical obsolescence may occur when a new product or technology supersedes the old, and it becomes preferred to utilize the new technology in place of the old. Historical examples of superseding technologies causing obsolescence include higher-quality multimedia DVD over videocassette recorder and the telephone, with audio transmission, over the telegraph's coded electrical signals. On a smaller scale, particular products may become obsolete due to replacement by a newer version of the product. Many products in the computer industry become obsolete in this manner; for example, Central processing units frequently become obsolete in favor of newer, faster units. Singularly, rapid obsolescence of data formats along with their supporting hardware and software can lead to loss of critical information, a process known as digital obsolescence.

Another complementary reason for obsolescence can be that supporting technologies may no longer be available to produce or even repair a product. For example many integrated circuits, including CPUs, memory and even some relatively simple logic chips may no longer be produced because the technology has been superseded, their original developer has gone out of business or a competitor has bought them out and effectively killed off their products to remove competition. It is rarely worth redeveloping a product to get around these issues since its overall functionality and price/performance ratio has usually been superseded by that time as well.

Some products are rendered technologically obsolete due to changes in complementary products which results in the function of the first product being made unnecessary. For example, buggy whips became obsolete when people started to travel in cars rather than in horse-drawn buggies.
Functional obsolescence
Particular items may become functionally obsolete when they do not function in the manner that they did when they were created. This may be due to natural wear, or due to some intervening act. For example, if a new mobile phone technology is adopted, and there is no longer a provider who provides service based on the old technology, any mobile phone using that technology would be rendered obsolete due to the inability to access service.
Products which naturally wear out or break down may become obsolete if replacement parts are no longer available, or when the cost of repairs or replacement parts is higher than the cost of a new item. A product may intentionally be designed to use a faster wearing component - for example, use of soft rubber soles on shoes rather than for example rubber used in tires.
Planned obsolescence
Sometimes marketers deliberately introduce obsolescence into their product strategy, with the objective of generating long-term sales volume by reducing the time between repeat purchases. One example might be producing an appliance which is deliberately designed to wear out within five years of its purchase, pushing consumers to replace it within five years.
Postponement obsolescence
Postponement obsolescence refers to a situation where technological improvements are not introduced to a product, even though they could be. One possible example is when an auto manufacturer develops a new feature for its line of cars, but chooses not to implement that feature in the production of the least expensive car in its product line.

Q2. What is the role of Management Information System (MIS) in sustaining efficiency and effectiveness of an organization. Explain with the help of the prevailing MIS in an organization known to you. Briefly describe the organization along with its reporting relationships.
Solution : A **management information system** (**MIS**) is a system that provides information needed to manage organizations effectively. Management information systems are regarded to be a subset of the overall internal controls procedures in a business, which cover the application of people, documents, technologies, and procedures used by management accountants to solve business problems such as costing a product, service or a business-wide strategy. Management information systems are distinct from regular information systems in that they are used to analyze other information systems applied in operational activities in the organization. Academically, the term is commonly used to refer to the group of information management methods tied to the automation or support of human decision making, e.g.Decision Support Systems, Expert systems, and Executive information systems.
The term "MIS" arose to describe these kinds of applications, which were developed to provide managers with information about sales, inventories, and other data that would help in managing the enterprise. Today, the term is used broadly in a number of contexts and includes (but is not limited to): decision support systems, resource and people management applications, Enterprise Resource

Planning (ERP), Supply Chain Management (SCM), Customer Relationship Management(CRM), project management and database retrieval applications.
An 'MIS' is a planned system of the collection, processing, storage and dissemination of data in the form of information needed to carry out the management functions. In a way, it is a documented report of the activities that were planned and executed. According to Philip Kotler "A marketing information system consists of people, equipment, and procedures to gather, sort, analyze, evaluate, and distribute needed, timely, and accurate information to marketing decision makers."
The terms *MIS* and *information system* are often confused. Information systems include systems that are not intended for decision making. The area of study called MIS is sometimes referred to, in a restrictive sense, as information technology management. That area of study should not be confused with computer science. IT service management is a practitioner-focused discipline. MIS has also some differences with ERP which incorporates elements that are not necessarily focused on decision support.
The successful MIS must support a business's Five Year Plan or its equivalent. It must provide for reports based upon performance analysis in areas critical to that plan, with feedback loops that allow for titivation of every aspect of the business, including recruitment and training regimens. In effect, MIS must not only indicate how things are going, but why they are not going as well as planned where that is the case. These reports would include performance relative to cost centers and projects that drive profit or loss, and do so in such a way that identifies individual accountability, and in virtual real-time.
Anytime a business is looking at implementing a new business system it is very important to use a system development method such as System Development Life Cycle. The life cycle includes Analysis, Requirements, Design, Development, Testing and Implementation.
Initially in businesses and other organizations, internal reporting was made manually and only periodically, as a by-product of the accounting system and with some additional statistic(s), and gave limited and delayed information on management performance. Previously, data had to be separated individually by the people as per the requirement and necessity of the organization. Later, data was distinguished from information, and so instead of the collection of mass of data, important and to the point data that is needed by the organization was stored.
Earlier, business computers were mostly used for relatively simple operations such as tracking sales or payroll data, often without much detail. Over time, these applications became more complex and began to store increasing amount of information while also interlinking with previously separate information systems. As more and more data was stored and linked man began to analyze this information into further detail, creating entire management reports from the raw, stored data.

utilizing the above information, please develop other part of this question i.e. give an example of an organization known to you correlating MIS.
Explain briefly various models of decision making process. Briefly describe the model of decision making Process which prevails in the organization known to you and explain as to how close it is to the models explained above. Briefly describe the structure and other relevant details of the organization.
Solution : TYPES OF DECISION MAKING:

Irreversible
These are type of decisions, which if made once cannot be undone. Whatever is decided would then have its repercussions for a long time to come. It commits one irrevocably when there is no other satisfactory option to the chosen course. A manager should never use it as an all-or-nothing but instant escape from general indecision.

Reversible

These are the decisions that can be changed completely, either before, during or after the agreement of taking action. Such types of decisions allows one to acknowledge a mistake early in the process rather than perpetuate it. It can be effectively used for changing circumstances where reversal is necessary.

Experimental

These types of decisions are not final until the first results appear and prove themselves to be satisfactory. It requires positive feedback before one can decide on a course of action. It is useful and effective when correct move is unclear but there is a general clarity regarding the direction of action.

Trial and Error

In this type of decision making, knowledge is derived out of past mistakes. A certain course of action is selected and is tried out, if the results are positive, the action is carried further, if the results appear negative, another course is adopted. And so on and so forth a trial is made and an error is encountered. Till the right combination takes place, this situation continues. It allows the manager to adopt and adjust plans continuously before the full and final commitment. It uses both, the positive and negative feedback before selecting one particular course of action.

Made in stages

Here, the decisions are made in steps until the whole action is completed. It allows close monitoring of risks as one accumulates the evidences from out-comes and obstacles at every stage. It permits feedback and further discussion before the next stage of the decision is made.

Cautious

It allows time for contingencies and problems that may crop up later at the time of implementation. The decision-makers hedge their best of efforts to adopt the right course. It helps to limit the risks that are inherent to decision-making. Although this may also limit the final gains, it allows one to scale down those projects which look too risky in the first instance.

Conditional

Such type of decisions can be altered if certain foreseen circumstances arise. It is an 'either / or' kind of decision with all options kept open. It prepares one to react if the competition makes a new move or if the game plan changes radically. It enables one to react quickly to the ever changing circumstances of competitive markets.

Delayed

Such decisions are put on hold till the decision–makers feels that the time is right. A go-ahead is given only when required elements are in place. It prevents one from making a decision at the wrong time or before all the facts are known. It may, at times result into forgoing of opportunities in the market that require prompt action.

BEING DECISIVE

The ability to take timely, clear and firm decisions is an essential quality of leadership, but the type of decision needed, varies according to the circumstances. Learning to recognize the implications of taking each type of different decisions leads to error minimization.

Being Positive

Taking decisive action does not mean making decisions on the spur of the moment. Although, it may be necessary in emergencies and as also occasionally desirable for other reasons. A true leader approaches the decisions confidently, being aware of consequences and fully in command of the entire decision–making process.

Making Fast Decisions
It is important to be able to assess whether a decision needs to be made quickly or it can wait. Good decision-makers often do make instant decisions – but they then assess the long-term implications.

Identifying issues
It is crucial to diagnose problems correctly. Before any decision is made identifying and defining the issue removes the criticality. This also means deciding who else needs to be involved in the issue, and analyzing the implication of their involvement.

Prioritizing factors
While making a decision, a manager needs to prioritize on important factors. Some factors in a process are more important than others. The use of Pareto's rule of Vital Few and Trivial may help in setting up of the priorities. Giving every factor affecting a decision equal weight makes sense only if every factor is equally important. The Pareto rule concentrates on the significant 20 percent and gives the less important 80 percent lower priority.

Using advisers
It is advisable to involve as many people as are needed in making a decision. In making collective decisions, specific expertise as well as experience of a person both can be used simultaneously. The decision-maker, having weighed the advice of experts and experienced hands, must then use authority to ensure that the final decision is seen through.

Whetting decisions
If one does not have the full autonomy to proceed, it is advisable to consult the relevant authority – not just for the final go, but also for the input. It is always in the interest of the subordinate to have the plans whetted by a senior colleague whose judgment is trusted and who is experienced. Even if there is no need to get the decision sanctioned, the top people are likely to lend their cooperation well if they have been kept fully informed all the way long, of the decision path.

MANAGERIAL DECISION MAKING
In this installment of our guide to organizational management we look at managerial decision making... Effective managers are tasked with making decisions ranging from large to small on a daily basis. An effective organization employs managers who are problem-solvers and who can make decisions constantly.

It is critical to first prioritize issues and problems based on the issues potential effect on the organization. Those that stand to have the greatest impact should be dealt with first, and all problems need to be addressed in a systematic way prior to a decision being made.

Because a first impression is just that, and does not necessarily reflect the entire situation, a manager must avoid jumping to conclusions. Collecting information from more than one source to avoid bias, and completely assessing all pertinent (and verifiable) information prior to rendering a decision is strongly recommended.
Collecting information in order to obtain a complete understanding of the issue is only the first step, however. Once the information is available, then it is wise to brainstorm different solutions and possible options in order to get more than one perspective. Such options can start out as wide-ranging, and then can be narrowed down to fit the scope of the problem.

Having identified a set of options and solutions, feedback and suggestions on them, along with alternatives, should be sought from consultations with others. For the most part, group decisions (particularly where the group contains people who the end decision will affect) are preferable to those made by individuals as a pool of knowledge, skills and experience can be drawn upon.
Tools, techniques and analysis methods (such as: Pareto Analysis; Paired Comparison Analysis; Grid Analysis; PMI; Six Thinking Hats; Starbursting; Decision Trees) can then be applied. These are not conclusive, but they do offer an objective and somewhat scientific approach to decision making. Theyre particularly useful when the decision-makers judgment is liable to be clouded by being too closely involved with the issue at hand.

Then comes the time to weigh the pros and cons of a decision. Which option or solution gives most to the organization whilst taking least from it? Few decisions will be as clear cut to hold no drawbacks. Negatives are acceptable though, so long as the positives sufficiently outweigh them.

Degrees of Outcome Predictability
Certainty
Risk
Uncertainty
Ambiguity
Certainty
Full knowledge of available alternatives
Full knowledge of what outcome will result from each alternative
Few certain decisions in the real world.
Risk
Knowledge of what the alternatives are
Know the probabilities of outcomes resulting from each alternative.
Uncertainty
Goals are known, but information about alternatives and future outcomes is incomplete (probabilities unknown)
Some alternatives may be completely unknown
Ambiguity
Objectives to be achieved are unclear
Little, if any, knowledge of alternatives
What are the basic determinants of organizational climate and Culture. Which of these determinants play significant role in determination of organization culture and climate in the organization known to you. Explain with concrete example about your perception. Briefly describe the basics of the organization you are referring to.
Solution : Various dimensions of climate are :-
1. Innovation and risk taking :-
The degree to which employees are encouraged to be innovative and take risks.
2. Attention to detail :-
The degree to which employees are expected to exhibit precision, analysis, and attention to detail.
3. Outcome orientation :-
The degree to which management focuses on results or outcomes rather than on the techniques and processes used to achieve these outcomes.
4. People orientation :-
The degree to which management decisions take into consideration the effect of outcomes on people

within the organisation.
5. Team orientation :-
The degree to which work activities are organised around teams rather than individuals.
6. Aggressiveness :-
The degree to which to people are aggressive and competitive rather than easygoing.
7. Stability :-
The degree to which organisational activities emphasize maintaining the status quo in contrast to growth.
• Climate is a descriptive term :-
Organisational climate is concerned with how employees perceive the characteristics of an organisation's culture, not with whether or not they like them. That is, it is a descriptive term. This important because it differentiates this concept from that job satisfaction. Research on organisational climate has sought to measure how employees see their organisation. Does it encourage teamwork? Does it reward innovation? Does it stifle initiative?
In contrast, job satisfaction seeks to measure affective responses to the work environment. It is concerned with how employees feel about the organisation's expectations, reward practices, and the like. Although the two terms undoubtedly have overlapping characteristics, keep in mind that the term organisational culture is descriptive while job satisfaction is evaluative.
• Strong Vs weak climates:-
It has become increasingly popular to differentiate between strong and weak climates. The argument here is that strong cultures have a greater impact on employee behaviour and are more directly related to reduced turnover. In a strong climate, the organisation's values are both intensely held and widely shared. The more members who accept the core values is, the stronger the climate is. Consistent with this definition, a strong climate will have a great influence on the behaviour of its members because the high degree of sharedness and intensity creates an internal climate of high behavioural control.
• Climate Vs formalisation :-
A strong organisational climate increases behavioural consistency. In this sense, we should recognise that a strong climate can act as a substitute for formalisation. High formalisation in an organisation creates predictability, orderliness, and consistency. Our point is that a strong climate achieves the same end without the need for written documentation. Therefore, we should views formalisation and climate as two different roads to a common destination. The stronger an organisation's climate, the less management need concerned with developing formal rules and regulations to guide employee behaviour. These guides will be internalised in employees when they accept the organisation's climate.
• There are several basic determinants that differentiate climate :-
1. How people see themselves:-
In some countries of the world, people are viewed as basically honest and trustworthy. In others, people are regarded with suspicion and distrust. For example, reasons some people around the world regard the United States with suspicion and distrust mat result from the way these people view themselves. They assume others are like them, that id, prepared to cut corners if they can get away with it. On the other hand, many other people of these countries are just the opposite. They do not lock their doors; they are very trusting and assume that no one will break in. It is forbidden to take the property of another person, and the people adhere strictly to that cultural value.
2. People's relationship to their world: -
In some societies people attempt to dominate their environment. In other societies they try to live in harmony with it or are subjugated by it. People from the United States and Canada, for example, attempt to dominate their environment. In agriculture they use fertilizers and insecticides to increase crop yields. Other societies, especially those in Asia, work in harmony with the environment by planting crops in the right places and at the right time. In still other societies, most notably developing countries,

no action is taken regarding the subjugation of nature, so, for example, when the floods come, there are no dams or irrigation systems for dealing with the impending disaster.

3. Time :-

In some societies people are oriented toward the past. In others they tend to be more focused on the present still others are futuristic in their orientation. People from the United States and Canada most interested in the present and the near future. Business people in these countries are particularly interested in where their companies are today and where they will be in five to ten years. People who are hired and do not work out are often let go in short order. They seldom last more than one or two years. Most Europeans place more importance or the past than do North Americans.

4. Public and private space :-

Some climates promote the use of public space; others favour private space. For example, in Japan bosses often sit together with their employees in the same large room. The heads of some of the biggest Japanese firms may leave their chauffeur driven limousines at home and ride the crowded public subways to work in the morning so that they can be their workers. In the Middle East there are often many people present during important meetings. These cultures have a public orientation. In contrast, North Americans prefer private space. The more restricted or confined a manager is, the more important the individual is assumed to be. Anyone coming to see the person must first go past a secretary before being admitted to the manager's presence.

• Climate's functions :-

Climate performs a number of functions within an organisation.

. First, it has a boundary, defining role; that is, it creates distinctions between one organisation and others.

. Second, it conveys a sense of identity for organisation members.

. Third, facilitates the generation of commitment to something larger than one's individual self interest.

. Fourth, it enhances social system stability, climate is the social glue that helps hold the organisation together by providing appropriate standards for what employees should say and do.

. Finally, climate serves as a sense-making and control mechanism that guides and shapes the attitudes and behaviour of employees. It is this last function that is of particular interest to us.

The role of climate is influencing employee behaviour appears to be increasingly important in the 1990s. As organisations have widened spans of control, flattered structures, introduced teams, reduced formalisation, and empowered employees, the shared meaning provided by strong culture ensures that everyone is pointed in the same direction.

• Climate as liability :-

We are treating climate in a non-judgemental manner. We haven't said that it's good or bad, only that exists. Many of its functions are valuable for both the organisation and the employee. Culture enhances organisational commitment and increases the consistency of employee behaviour. These are clearly benefits to an organisation. From an employee's stand point, climate is valuable because it reduces ambiguity. It tells employees how things are done and what's important.

• Climate is a liability when the shared values are not in agreement with those that will further the organisation's effectiveness. This is most likely to occur when the organisation's environment is dynamic. When the environment is undergoing rapid change, the organisation's entrenched culture may no longer be appropriate. So consistency of behaviour is an asset to an organisation when it faces a stable environment. It may burden the organisation and make it difficult to respond to changes in the environment. This helps to explain the challenges the executives at companies like IBM, Eastman Kodak, and General Dynamics have had in recent years in adapting to upheavals in their environment.

Q5. What are the key considerations in delegation of authority in an organizational situation and what are the essential pre-requisites required for the purpose. Explain with few examples from the organization to you. Briefly describe the basic details of the organization you are referring to.

Solution : Delegation of authority
The action by which a commander assigns part of his or her authority commensurate withthe assigned task to a subordinate commander. While ultimate responsibility cannot berelinquished, delegation of authority carries with it the imposition of a measure ofresponsibility. The extent of the authority delegated must be clearly stated.
Delegating
It is impractical for the supervisor to handle all of the work of the department directly. Inorder to meet the organization's goals, focus on objectives, and ensure that all work isaccomplished, supervisors must delegate authority. Authority is the legitimate power of asupervisor to direct subordinates to take action within the scope of the supervisor'sposition. By extension, this power, or a part thereof, is delegated and used in the name ofa supervisor. Delegation is the downward transfer of formal authority from superior tosubordinate. The employee is empowered to act for the supervisor, while the supervisorremains accountable for the outcome. Delegation of authority is a person-to-personrelationship requiring trust, commitment, and contracting between the supervisor and theemployee.
The supervisor assists in developing employees in order to strengthen the organization.He or she gives up the authority to make decisions that are best made by subordinates.This means that the supervisor allows subordinates the freedom to make mistakes andlearn from them. He or she does not supervise subordinates' decision-making, but allowsthem the opportunity to develop their own skills. The supervisor lets subordinates knowthat he or she is willing to help, but not willing to do their jobs for them. The supervisoris not convinced that the best way for employees to learn is by telling them how to solvea problem. This results in those subordinates becoming dependent on the supervisor. Thesupervisor allows employees the opportunity to achieve and be credited for it.
An organization's most valuable resource is its people. By empowering employees whoperform delegated jobs with the authority to manage those jobs, supervisors freethemselves to manage more effectively. Successfully training future supervisors meansdelegating authority. This gives employees the concrete skills, experience, and theresulting confidence to develop themselves for higher positions. Delegation providesbetter managers and a higher degree of efficiency. Thus, collective effort, resulting in theorganization's growth, is dependent on delegation of authority.

to contracting between the supervisor and employee regarding how and when the workwill be completed. The standards and time frames are discussed and agreed upon. Theemployee should know exactly what is expected and how the task will be evaluated.
·Auditing is monitoring the progress of the delegation and making adjustments in
response to unforeseen problems.
·Appreciating is accepting the completed task and acknowledging the subordinate's
efforts.
Delegation is an essential element of any manager's job. Delegation can range form amajor appointment, such as the leadership of a team developing a new product, to one ofany number of smaller tasks in everyday life of any organization - from arranging anannual outing to interviewing a job candidate. If used effectively Delegation provides realbenefits to every one involved. Major indicator of justified use of power is delegation ofauthority by the management. It is the process through which a manager gives authorityto their subordinates in order to accomplish certain assignments. The work culture, whichutilizes the delegation of authority, improves the job satisfaction motivation and moraleof

employees. Further it is helpful in satisfying the employee's need for recognition,responsibility freedom and autonomy. Delegation is the manager's key to efficiency, andbenefits all. Delegation of authority is a challenging effort for all managers to masterbecause it involves effective communication, motivation, goal setting and behavioralmodification.

Problems of Effective Delegation

The steps taken for effective delegation of authority by the senior managers play animportant role in determining subordinates efficient performance of duties. It hasobserved by many authors that effective delegation of authority is not observed by theIndian managers, towards their subordinates because of their love for authority, desire toinfluence the subordinates, personality factors of the senior mangers, fear ofincompetence, low level trust on their subordinates skill, knowledge and efforts etc.Where the organisation has high power distance there the delegation of authority will beat lower level.

Studies related to Delegation of Authority

It has been reported by many authors that Public and Private sector organisation in Indiahave high power, authority and responsibility variations. Thompson, (1967) studiesindicate that Organizations in high power distance cultures also tend to maintain tightcontrol mechanisms and implement hierarchical, bureaucratic structures. Individuals inhigh power distance cultures will have less freedom and autonomy to make bolddecisions, since high levels of control tend to encourage conservatism withinorganizations. Many studies have further observed that in Indian public and private sectororganizations, the delegation of authority is varied considerably. Moddie, (1972) foundthat, in both private and public sectors the Indian managers favor delegation of authority
to him not so much from him to a subordinate. Indian decision-making is a process ofmuch consultative ness in which decisions ultimately emerge at the top, seldom in themiddle and almost never at the bottom of private and public managements beyond theroutine. Kakar, (1971) in public sector organizations, the inadequate delegation ofauthority starts from the government. In fact, the policy decision in regards the variouspubic sector organizations rest with the government and not with the functional heads ofthese organizations. Coupled with this, appointment of non professionals-bureaucrats andin many cases, politicians also work against the adequate delegation of authority. Moreover, in many public sector organizations, there is always a lack of job clarity, whichaffects the delegation adversely. Further in such organizations, delegates lack ofconfidence in the subordinates to use the authority properly and effectively and his ownreluctance to use the authority in the discharge of his responsibility for fear of criticismsfor mistakes are also factors in inadequate delegation of authority. Elhance and Agarwal, (1975) in their studies indicate that there is an inherent desire forwith holding of authority on the part of superiors because of the love for authority.Though there is a universal phenomenon, this is operative more strongly in Indianorganizations because they have to work in authoritarian culture. Thus inadequatedelegation starts right from the top and flows through the various levels of theorganizations. Delegant's love for authority has been identified as a major source forinadequate delegation in Indian organizations. They further that there is moderate degreeof delegation of authority both in private and public sector, and the degree of delegationis higher in the later. Further, in both sectors, there is high degree of technical delegationand lowest degree of financial delegation.

Lotia, (1967) indicates that in Indian business organizations, there is lack of adequatedelegation authority to various managerial levels. In public sector enterprises delegationof authority is not always for the whole job. In most of the enterprises, due to itsbureaucratic or semi governmental nature delegation is not enough to enable the managerto execute his duties with confidence and convenience. Weber used the term bureaucracyto describe an organization ordered by rules, laws, and regulations, and indicated thatbureaucracies possess hierarchies with systems of super- and subordination. Themanagement of the modern bureaucracy is based on written documents, such as standardoperating procedures, which are more or less stable, exhaustive, and which can belearned. (See Mintzberg, 1979).

The prototypical bureaucracy is the machine bureaucracy(Mintzberg, 1979), and the primary coordinating mechanism in such an organization isthe standardization of work processes. Behavior in such an organization is relativelyformal and employee tasks are specialized. Employees contract to receive wages inexchange for submitting to rules, regulations, and supervision, which in turn helpemployees handle the uncertain future from day to day. However, such a system isineffective when employees are widely dispersed and direct supervision is not possible. Itis also less effective in controlling behavior variability in organizations with a highpercentage of tasks with substantial complexity (Wilkins & Ouchi, 1983). These findingsclearly indicates that a paradigm shift from the present authoritarian style of leadership

and managerial approaches to democratic and supportive style of approach to bepracticed in order to develop a culture of employee cooperation and contribution at work.While looking upon the negative consequence of ineffective delegation of authority andthere by to develop a culture of high performance, following steps to be recommendedfor Indian Managers.

Steps for Effective Delegation of Authority

Effective delegation is an essential managerial skill. Practical advice on how to developand motivate staff, build loyalty, and give and receive feedback will increase yourconfidence and help you to become a skilled delegate. To develop a culture of highdelegation, management should practice following steps;

1. Understand the nature of task
2. Review the task the manager is responsible for.
3. Differentiate the tasks that should be done by others
4. Analyze the skill and capabilities of the subordinates
5. Inform the subordinates the task to be performed
6. Determine what you will delegate
7. Clarify the results you want
8. Be sure to delegate the authority
9. Delegate to the right person.
10. Proper assignment of duties,
11. Be sure the employee understands his authority
12. Encourage and motivate them to take up the assignments willfully.
13. Detail the authority related to job performance.
14. Granting authority to perform.
15. Sharing power.
16. Being flexible.
17. Cross check the subordinates skill to follow the instruction
18. Give freedom and autonomy in task and performance.
19. Exchanges ideas, feelings and values.
20. Develop confidence and will to work as independent
21. Concurrent job monitoring and evaluation of subordinates
22. Clarification and removal of obstacles in functional level
23. Maintain open communication
24. Trust people to do well
25. Never give final responsibility
26. Create a climate of responsibility.
27. Establish a time limit
28. Obtain feedback from employees
29. Solicits feedback.
30. Establish a follow-up schedule

Benefits of Delegation

Delegation has a number of benefits. Good delegation saves you time, develops youpeople, grooms a successor, and motivates. When managers streamline their workload,they increase the amount of time available for essential managerial tasks. The staff feelsmotivated and more confident, and stress level decrease across the workforce. Effectivedelegation can save you hundreds of hours of unnecessary work, increase productivityand provide invaluable training to your associates and employees. Effective delegationinvolves the stimulus of increased responsibility and can provide a delegate with anenriched level of satisfaction as well as greater sense of worth. Delegation isempowerment, and that is the main spring of better work. Your staff will not developunless they are given tasks that build their abilities, experience, and confidence. They willperform best in a structured environment in which every one is aware of delegated dutiesand responsibilities and each has the necessary skills and resources to carry out tasksefficiently. Successful leaders build high performing and profitable organizations througheffective delegation of authority and purposive use of their knowledge, experience andinsight towards the ultimate goal of business surplus generation.