

FUNDAMENTALS OF MANAGEMENT FOR ENGINEERS

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UNIT-3

ORGANIZATION AND HRM: PRINCIPLES OF ORGANIZATION

ORGANIZATIONAL DESIGN



- Organizational design refers to the process of creating a structure for an organization.
- It defines roles, responsibilities, and relationships among employees.
- It ensures effective coordination and communication within the organization.
- Organizational design aligns structure with organizational goals and strategy.
- It involves division of work and specialization of tasks.
- Authority and responsibility are clearly defined in the design.
- It determines the hierarchy and reporting relationships.
- Factors like size, technology, and environment influence design.
- A good design improves efficiency and productivity.
- It helps the organization adapt to changes and achieve objectives.

ORGANIZATIONAL STRUCTURE



- Organizational structure refers to the formal arrangement of roles and relationships in an organization.
- It defines how tasks are divided, grouped, and coordinated.
- It establishes authority, responsibility, and reporting relationships.
- It shows the hierarchy of management levels. Organizational structure can be functional, divisional, or matrix.
- It helps in effective communication and coordination.
- It clarifies roles and reduces confusion among employees. A proper structure improves efficiency and decision making.
- It is influenced by organizational size, goals, and environment.
- It ensures smooth functioning and achievement of objectives.

DEPARTMENTALIZATION



- Departmentalization is the process of grouping activities and jobs into departments.
- It helps in organizing work for better efficiency and coordination.
- Activities are grouped based on similarity of tasks.
- It facilitates specialization and improves performance.
- Common types include functional, product, geographical, and customer departmentalization.
- It helps in clear allocation of duties and responsibilities.
- Departmentalization improves supervision and control.
- It enhances accountability within departments.
- It supports organizational growth and expansion.
- Proper departmentalization leads to effective management and goal achievement.

DELEGATION



- Delegation is the process of assigning authority and responsibility to subordinates.
- It helps managers reduce their workload and focus on important tasks.
- It involves three elements: authority, responsibility, and accountability.
- Authority gives the power to make decisions.
- Responsibility refers to the duty to perform assigned tasks.
- Accountability means being answerable for the results.
- Delegation improves efficiency and speed of work.
- It helps in employee development and skill enhancement.
- Effective delegation requires trust and clear communication.
- It leads to better management and organizational performance.

EMPOWERMENT



- Empowerment is the process of giving employees authority and autonomy to make decisions
- . It increases employees' confidence and sense of ownership.
- Empowered employees can take initiative and solve problems independently.
- It reduces dependency on higher-level management.
- Empowerment improves job satisfaction and motivation.
- It encourages creativity and innovation at the workplace.
- Managers support empowerment through trust and open communication.
- Training and information sharing are essential for empowerment.
- It leads to faster decision making and better performance
- . Empowerment strengthens organizational effectiveness and growth.

CENTRALIZATION DECENTRALIZATION RECENTRALIZATION



- **Centralization** refers to concentration of decision-making authority at top management. It ensures uniformity and strong control over organizational activities.
- **Decentralization** means dispersing authority to lower levels of management. It promotes faster decisions and employee participation. Centralization is suitable for small or stable organizations. Decentralization is ideal for large and dynamic organizations.
- **Recentralization** is the process of bringing authority back to top management. It is done when better control or coordination is needed. A balance between centralization and decentralization is important. These concepts help in effective organizational structure and management.

ORGANIZATIONAL CULTURE



- Organizational culture refers to the shared values, beliefs, and norms of an organization.
- It influences how employees think, behave, and interact at work. Culture includes traditions, customs, and accepted ways of doing things.
- It creates a unique identity for the organization. Strong culture improves employee commitment and motivation.
- It affects communication, decision making, and performance. Leaders play a key role in shaping organizational culture.
- Culture can be formal (rules) or informal (practices and behavior). A positive culture enhances teamwork and productivity
- . Organizational culture helps in achieving goals and long-term success.

ORGANIZATIONAL CLIMATE



- Organizational climate refers to the overall work environment as perceived by employees.
- It reflects employees' feelings, attitudes, and perceptions about the organization.
- Climate is influenced by leadership style, policies, and practices
- . It affects employee motivation, satisfaction, and performance. A positive climate promotes cooperation and teamwork.
- It includes factors like communication, trust, and support
- . Organizational climate is more temporary and changeable than culture.
- It can be measured through surveys and feedback. Managers can improve climate by creating a supportive environment.
- A healthy climate leads to higher productivity and organizational success.

ORGANIZATIONAL CHANGE



- Organizational change refers to the process of modifying structure, strategies, or operations.
- It is necessary for adapting to internal and external environment changes.
- Change can be planned or unplanned.
- Common types include structural, technological, and behavioral change.
- It aims to improve efficiency, productivity, and performance.
- Employees may resist change due to fear and uncertainty.
- Effective communication helps in reducing resistance.
- Leadership plays a key role in managing change successfully.
- Training and support help employees adjust to change.
- Organizational change ensures growth, survival, and competitiveness.
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BUSINESS STRATEGIES



- **JOB SATISFACTION** refers to the level of contentment employees feel about their work. It reflects how much employees like or dislike their jobs. It is influenced by factors like salary, work environment, and recognition. Good relationships with colleagues and supervisors improve satisfaction. Opportunities for growth and promotion increase job satisfaction. Job satisfaction leads to higher motivation and productivity. It reduces absenteeism and employee turnover. Dissatisfaction can result in poor performance and low morale. Managers can improve it through support, rewards, and communication. High job satisfaction contributes to organizational success.

JOB ENRICHMENT



- Job enrichment is the process of enhancing a job by adding more meaningful tasks and responsibilities.
- It aims to increase employee motivation and satisfaction.
- It involves giving employees more control and autonomy in their work.
- Employees are allowed to make decisions related to their tasks.
- It includes opportunities for personal growth and development.
- Job enrichment improves the quality of work life.
- It reduces boredom and monotony in routine jobs.
- It encourages creativity and better performance.
- It is based on motivation theories like those of Frederick Herzberg.
- Job enrichment leads to higher productivity and organizational effectiveness.

TALENT MANAGEMENT



- Talent management is the process of attracting, developing, and retaining skilled employees.
- It ensures the organization has the right people in the right roles.
- It includes recruitment, selection, and onboarding of employees.
- Training and development are key parts of talent management.
- Performance management helps evaluate and improve employee output. It focuses on employee growth and career development.
- Talent management improves employee engagement and retention.
- It helps build a strong and capable workforce.
- Organizations use it to gain a competitive advantage.
- Effective talent management leads to long-term success and growth.

STRATEGIC HUMAN RESOURCE PLANNING



- Strategic Human Resource Planning is the process of aligning HR strategies with organizational goals.
- It ensures the right number of employees with the right skills are available.
- It involves analyzing current workforce and future HR needs.
- It helps in forecasting demand and supply of human resources.
- Recruitment and selection plans are developed accordingly.
- Training and development programs are planned to fill skill gaps.
- It supports long-term organizational growth and competitiveness.
- It reduces employee shortages and surpluses. It integrates HR policies with business strategy.

RECRUITMENT AND SELECTION



- Recruitment and selection are key processes of human resource management.
- **Recruitment** involves attracting qualified candidates for job vacancies.
- It includes identifying sources like internal and external recruitment.
- Job analysis and job description are prepared before recruitment.
- **Selection** is the process of choosing the best candidate from applicants.
- It involves steps like screening, tests, interviews, and final selection.
- Selection ensures the right person is placed in the right job.
- Effective recruitment increases the pool of suitable candidates.
- Proper selection reduces employee turnover and improves performance.
- Together, they help in building a strong and efficient workforce.

TRAINING AND DEVELOPMENT



- Training and development are processes that improve employee skills and knowledge.
- **Training** focuses on enhancing skills for current job performance.
- **Development** aims at overall growth and future responsibilities.
- It helps employees adapt to new technologies and work methods.
- Training methods include on-the-job and off-the-job training.
- Development programs include workshops, seminars, and coaching.
- It increases employee efficiency and productivity.
- It improves job satisfaction and motivation.
- Organizations invest in training to remain competitive.
- Effective training and development lead to organizational growth and success.

PERFORMANCE APPRIASAL



- Performance appraisal is the process of evaluating employee performance.
- It measures how well employees perform their job duties.
- It is conducted periodically by managers or supervisors.
- It helps in identifying strengths and weaknesses of employees
- . Common methods include rating scales, ranking, and 360-degree feedback.
- It provides feedback to employees for improvement.
- Performance appraisal is linked to promotions, rewards, and salary decisions.
- It helps in planning training and development programs.
- A fair appraisal system improves motivation and job satisfaction.
- It contributes to overall organizational effectiveness and growth.