Materia: Business Administration II

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**Grupo: 51A**

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| **TEMA: Organizing**  **Subtema: Concept and importance**  **Organizing principles** | **Clases: 21 to 24**  **Fecha: March 12th to 16th** |

**OBJECTIVE:** Recognize the concept of organizing, as the second stage of the administrative process, and its importance in every enterprise. Identify organizing principles and the need of its application in the organizing process.

**INSTRUCTIONS**: Review the information below related to organizing process and prepare a mental map in your notebook.

**CONTENT:**

**INTRODUCTION**

Organizing is the second stage of the administrative process and it is very important because it is the formalization of the structure, positions and roles and it is through this structure that future plans are achieved.

**DEFINITION**

Organizing can be defined as the process in which the established plans moved towards realization, and it involves:

* The identification and classification of required activities
* The establishment of a structure and hierarchies
* The grouping of activities by which the objectives are achieved
* The allocation of each grouping to a manager with authority to supervise (delegation)

Organizing is the correlation function between the basic components of the business, people, tasks and materials, so they can carry out the plan of action in advance and achieve the objectives of the company. The organizing function consists of a number of activities, including:

* Definition of tasks
* Selection and placement of employees
* Definition of authority and responsibility
* Determination of authority relationships and responsibility
* Establish communication channels
* Represent the official company structure (usually presented in charts)

The purpose of organizing is to contribute to the objectives, promote efficiency, eliminate duplicity of functions, avoid delays, increase productivity, and reduce costs.

**ORGANIZING PRINCIPLES**

1. **Objective.**- Every action, decision, element, resource should be according to the objectives and purposes of the entity. The organization must establish permanent goals to which the company is headed.
2. **Specialization.**- As the company expands and diversifies, it should create groups and units to work in one specialty or area activity. The tasks of an employee should be focus in one activity.
3. **Hierarchy.**- There must be a chain of authority from top level to subordinated and this should work across the organization. Determine levels and authority.
4. **Authority and responsibility**.- The responsibility of an employee should correspond to the authority conferred. Each element in the organization is responsible of the results obtained according to the authority granted.
5. **Unity of command**.- Receive orders from only one boss to avoid confusions and to be efficient.
6. **Spreading or communication**.- The structure and responsibilities of each position should be in writing and documented.
7. **Span or amplitude of control**.- Limit the number of subordinates that report to an executive to be efficient and have results.
8. **Coordination**.- The units in an organization should be kept in balance.
9. **Continuity**.- The structure of an organization should be enough strong to resist external or environmental changes.

**HOMEWORK:**

* Investigate three different definitions of organizing and write them including the author and the source (link) where you obtained the information. Identify common words in the definitions and write them below. Write your own definition of auditing.
* Think about some daily activities that are able to organize, write about three of them and the elements needed to be established.