MODULE-8



- INNOVATIVE BUSINESS IMPROVEMENTS PVT. LTD.
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- Aim: To discuss the importance of authority,responsibility and accountability
- Objective: At the end of module you will be able to
 - Explain the meaning of terms:
 - Authority, Responsibility and Accountability.
 - Explain the need for authority in organization
 - Discuss the assignment of responsibility
 - Describe the need for accountability

AUTHORITY:

- The right to enforce a decision (Ownership)
- Right delegated to people in organization
- To make decision and direct others to act

TRESPONSIBILITY:

• Obligation for some one to perform assigned work or to make certain that some one else performs it in a prescribed way.

ACCOUNTABILITY:

Answerability of an employee to his or her boss.

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- **AUTHORITY IN ORGANIZATIONS**
- INSTITUTIONAL OBLIGATION TO EXERCISE CONTROL
- **EXAMPLES OF EXCERCISING AUTHORITY**
- MILITARY ORGANIZATIONS
- **RELIGIOUS INSTITUTIONS**
- **HOSPITALS**
 - NEED FOR AUTHORITY IN INSTITUTIONS
- Authority is necessary to manage and control institutional resources
- Generally authority is accepted well by employees if the authority figure is a role model i.e gap between his preaching and practice is minimal.

RESPONSIBILITY IN ORGANIZATION

- Responsibility is kind of empowerment to motivate managers to own the assigned tasks and derive job satisfaction
 - "If you want one year of prosperity, grow grain;
 - If you want ten years of prosperity, grow trees;
- If you want one hundred years of prosperity, grow people."

REREQUISITES FOR ASSIGNING RESPONSIBILITIES

- Employee must have the skills necessary to complete the job
- Employee must have the knowledge to understand the job
 - STEPS INVOLVED IN RESPONSIBILITY PROCESS
- CHOICE, DECISION MAKING, OWNERSHIP, WILLINGNESS, IRI-176
- COMMITMENT AND RESPONSIBILITY



- -----Giving rights or
- Assigning responsibility to
- An employee who must
 - Have skills necessary to complete the job and
 - Have knowledge to understand the job
- Besides
 - Having commonsense and proper judgement.

AUTHORITY, RESPONSIBILITY & ACCOUNTABILITY

AUTHORITY WITHOUT RESPONSIBILITY





RESPONSIBILITY WITHOUT AUTHORITY



- **"I AM THE MOST RESPONSIBLE PERSON IN THIS PLACE.**
 - **IF ANYTHING GOES WRONG**
 - **I AM ALWAYS HELD RESPONSIBLE"**



- **ORGANIZATIONAL PRINCIPLES**
- **CRUCIAL FOR EFFICIENT FUNCTIONING**
- Clearly understandable job descriptions
- Clear job assignments to staff
- Responsibility and accountability for assigned tasks
- Documented reporting and accountability mechanism
- Authority for tasks & accountability for results of tasks
- Organized work stations to complete scheduled tasks
- PClear concept of who is accountable to whom and for what
- People using common sense and making judgement calls
 - People make accurate decisions as many are irreversible.

MANAGEMENT FOR RESULTS **AUTHORITY, RESPONSIBILITY & ACCOUNTABILITY Improvement Innovations Unlimited Incorporated Canada Authorizes Innovative Business Improvements Private Limited** To provide "Management For Results" Course **Transferable LEARNING PROCESS Managerial** skills acquired **Authority** {Accountability} **Management for results** Learning Responsibility **Experience**

AUTHORITY, RESPONSIBILITY & ACCOUNTABILITY

FLOW OF AUTHORITY AND ACCOUNTABILITY:

Authority

Executive

Manager

Manager

Manager

Supervisor Supervisor

Employee

Employee

Employee

Employee

Accountability

{ CASE STUDY MR. AUTHOR }

- Mr. Author is a General Manager of a Paper Mill with
 - annual turnover of more than Rs.30 crores.
- He has 200 people working in the Mill under his control.
- He directly supervises seven functional managers.
- Mr. Author has been extremely busy so he asked Personnel
 - Manager to conduct all future, weekly management staff
- meetings. The meetings involved planning for the week.
- Decisions made were to be recorded and sent to Mr.
- Author.
- The first meeting of the seven managers went well.



{ CASE STUDY MR. AUTHOR }

- Personnel manager had reservations about conducting the meetings as three of the other managers were senior to him in length of service. This situation had created animosity among the group.
- Manager Finance and Manager Production were not very cooperative while other managers really did not say much when Manger personnel tended to make decisions on his own. These decisions were communicated to Mr. Author.
- Mr. Author attended meetings periodically. On one occasion he informed the managers that he disagreed with some of the decisions made during previous meetings and modified those decisions.

[] { CASE STUDY MR. AUTHOR}

- Manager Finance and Production Manager were happy to hear that because they felt they were not part of the decision making process. Manager Finance informed Mr. Author that Personnel Manager had been taking decisions in a authoritarian way. His comments were also supported by the Production Manager. Mr. Author did not respond to their comments and Manager Finance resigned in anguish.
- Mr. Author then decided to conduct all such meetings himself. He told his decision to Personnel Manager besides expressing his displeasure regarding the way meetings were conducted in a authoritarian way by him.

[] { CASE STUDY MR. AUTHOR}

Personnel Manager felt insulted in the presence of his peers and resigned in protest. Staff union became aware of the conflict when the second manager quit. Morale was low and everyone was talking about how Mr. Author had mismanaged the whole incident.



AUTHORITY, RESPONSIBILITY & ACCOUNTABILITY

[] { CASE STUDY MR. AUTHOR}

- **QUESTIONS FOR THE PARTICIPANTS**
- **QUESTION NO.1**
- If Mr. Author is to start over again, what suggestions would you have for him?
- **QUESTION NO. 6**
- Now that the damage is done, what should Mr. Author do to help other staff understand the situation and bring the management team back together?

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- **QUESTIONS FOR THE PARTICIPANTS**
- **QUESTION NO. 1**
- You are employed in an organization and are expected to complete certain tasks. Your job description may be different than your actual job. While you know to whom you report, you may not be very clear about the authority and responsibility component of your job.

 Clearly state your responsibilities.

- **QUESTIONS FOR THE PARTICIPANTS**
- **QUESTION NO. 2**
- Describe the authority you have in your
- organization?
- **QUESTION NO. 3**
- Do you think your supervisor should delegate more responsibility and authority to other staff? Give examples.

- **QUESTION NO. 4**
- Considering what you have learnt about authority, responsibility and accountability, how would you manage your unit differently?
- **QUESTION NO. 5**
- Explain the meanings of authority,
- responsibility and accountability within the context of the organization.

- QUESTION NO.6
- Why is authority needed in an organization?
- **QUESTION NO.7**
- Give overview of the factors underlying process to assign responsibilities to people?
- QUESTION NO. 8
- Why do we need accountability in organizations?

