

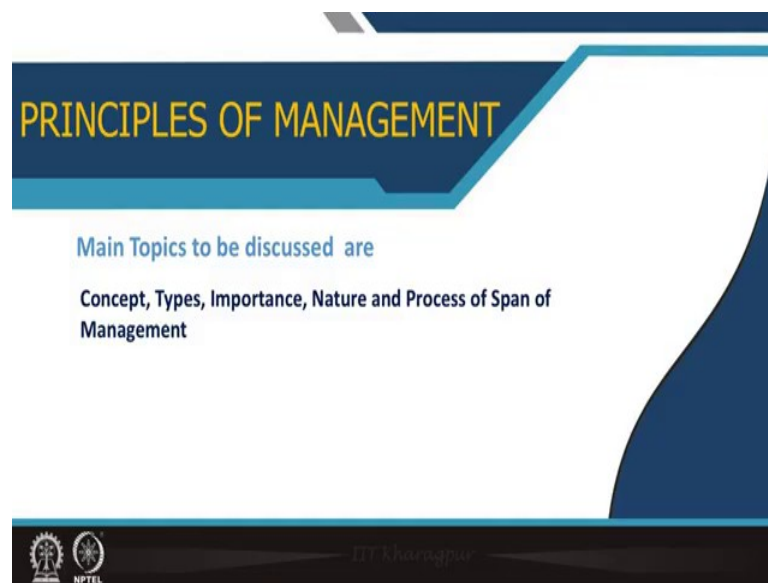
Principles of Management
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Module – 06
Lecture – 26
Concept, Types, Importance and Process of Span of Management

Welcome to module 6, lecture 1. In the module 5, we discussed about organization, design, structure, we also learned about you know coordination, differentiation and integration. We also looked at multiple differentiation and integration.

Today, we are going to go to the next module. This module going to talk about a span of management and it is also talking about centralization and decentralization. Today, we are going to discuss about Concept, Types and Importance and Process of Span of Management.

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Let us get into the lecture.

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Concept of Span of Management

The Span of Management refers to the number of subordinates in an organization who can be managed efficiently by a superior.

Simply, the system in which the manager having the group of subordinates who report him directly is called as the span of management.

Span of control or span of management is a dimension of organizational design measured by the number of subordinates that report directly to a given manager.

The term Span of Management is also referred to as span of control, span of supervision, span of authority or span of responsibility. It indicates the number of subordinates who are under the single reporting authority, like manager or CEO whoever it may be.

The slide features a diagram on the right showing a manager box labeled 'M' connected to two subordinate boxes labeled 'XYZ' and 'ABCDE'. The background includes faint icons of gears and a person. The NPTEL logo and 'IIT Kharagpur' are visible at the bottom.

Now, let us try to understand what is this span of management. Maybe some of you may be a very fresh concept you never you would have heard about it let us try to learn what is the span of management is. Span of management refers to the number of subordinates in an organization who can be managed efficiently by a superior. It is very simple.

Let us consider that you are a manager. If you are a manager you know how many subordinates you will be able to control or you will be able to supervise that is actually been defined as a span of management meaning that it is very simple form you know let us say you know you are a manager ok. You are a manager here ok.

Now, the span of management actually tells you how many subordinates you will be able to manage as a manager. So, it can be X Y Z maybe 3 person or maybe A B C D E. So, if as a manager if you are able to control this, this become a span of management. Sometimes, if you are able to control or supervise 5 people manage under you it can be sometimes it can also together you know all of them together you will be if you are able to control then that is also span of management.

But it again depends on it is actually span of management tells you that you know how many subordinates a manager is able to supervise, manage or control them this is called a span of management, as a concept this is called a span of management ok.

Now, let us try to understand bit more about this concept. So, it is simply a system in which you know manager having a group of subordinates who report him directly is called a span of management. The span of management or a span of control is actually a dimension of organizational design measured by number of subordinates that report directly to a given manager.

See the span of management is also related most of the time it is related to an organizational structure or a design perspective. Because you know organization design and the structure actually decides how many people will report to one manager that actually decide how many levels a company should have or an organization should have.

For example, let us say you have you know 15 people in a company. Let us say you know one manager is able to control only 5 let say they become a supervisor. Then another 5 is able to manage another 10 people below them, then what is happening? You are actually creating a structure and you are actually you know creating a different level in the company that is why you know span of management is also is a one of the dimensions of an organizational design in an organization.

This term span of management is also referred as you know span of control. Maybe somebody would have heard about span of control maybe span of management you never heard about it, but span of control is we would have heard about it – span of supervision, span of authority or a span of responsibility. It indicates the number of subordinates who under a single reporting authority or like the manager or CEO whoever it may be right.

Maybe under a CEO you will have you know chief officers you know chief technology officer, chief operating officer, chief financial officer, CFO, COO you know CMO, CTO all these people will be working under a CEO. So, now CEO span of management you know goes only to these four. For example, Chief Technology Officer CTO, COO; Chief Operating Officer and Chief Financial Officer. So, these become a span of management.

For example, for a manager let us say he manages four team leaders now all team leaders will be reporting to the manager. Now, what is the span of management for this particular manager? It is team leader 1, team leader 2, team leader 3 and team leader 4 that becomes a span of management for a particular manager. So, this is a concept of span of management.

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Types of span of management structure

Depending on the number of employees that can be supervised or controlled by managers, there can be two kinds of structures in the organization:

- **Tall structures:** These structures are found in classical bureaucratic organisations. In this structure, a manager can supervise less number of subordinates. He can, therefore, exercise tight control over their activities. This creates large number of levels in the organisation. This is also known as narrow span of control.
- **Flat structures:** These structures have a wide span of control. When superior supervises a larger number of subordinates, flat structure is created with lesser number of hierarchical levels.

The slide includes a hand-drawn diagram on the right side showing a vertical hierarchy with five levels labeled Lv1, Lv2, Lv3, Lv4, and Lv5, connected by downward arrows. A vertical line with an upward-pointing arrow is drawn to the left of the levels. The slide also features the NPTEL logo and the name 'Dr. Khanna' at the bottom.

Now, let us try to understand you know different types of you know span of management. So, depending on the number of employees that can be supervised or controlled by a manager there can be two-time kinds of structures in the organization. One is a tall structure: see, the tall structure you know even in their organizational structure also we decide you know discussed about you know bit about this tall structure and a flat structure.

Now, what is a tall structure? This structure you know tall structure is nothing, but you know in an organization you will have multiple levels right. So, let me call it this is level 1; level 1, you come down it will have level 2 then it will level 3 and level 4. So, it goes on like this level 5.

Now, this structure we call it as a tall structure because you know one becomes another becomes you know superior to this person level 5 and level 3 become superior to level 4 this is tall structure. There is a different high you know a greater number of levels exist in an organization.

So, this kind of a structures are found in classical bureaucratic organizations. So, if you know if you are happen to you know visit you know government organizations or you know if you are already working in a government organizations you would have already you know seeing this kind of a structure where there is a tall structure where you know so many superiors maybe you know if you would have submitted some of the you know

documents in a government organizations you would have found that you know many people used to sign right.

So, many people used to sign and then he says you know, now your file has been moved to the next table and it has to move to the different table meaning that there is a tall structure where you know there are many levels are coming up. In this structure, you know manager will supervise a smaller number of subordinates. Very simple, because these you know levels are really high and then tall structure. There are so many levels. What will happen? Each level one manager or one superior will have to manage only few numbers of employees.

So, meaning for example may be one employee one manager maybe have to control only 2 – 3 people. So, that is actually creating since you know you are only controlling 2 – 3 people. So, the structure the levels are increasing the tall structure. So, the you know span of management is very narrow because you are actually controlling very a smaller number of people right.

So, but you know, but in the you know tall structure what can happen generally is because you know you are actually managing very a smaller number of people. There is a tight control over your activities because you know since you are only managing 2 – 3 people, you have enough time or a sufficient time or adequate time whatever you call it you will be able to exercise on the subordinates under you.

Because you will be you know supervising more often and then you will be intervening, executing and then you will be will be controlling directing some type of employees under you. So, there will be you know it is a tight control over their activities.

Now, let us go to the flat structure. What is a flat structure? So, here in this flat structure so, generally what happens in the flat structure is you know here it is a wide span of control. Wide we call wide span of control you know one supervisor maybe you know supervise a large number of subordinates. So, that is a flat structure you know. So, this you know let me put it in a simple form ok.

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Types of span of management structure

Depending on the number of employees that can be supervised or controlled by managers, there can be two kinds of structures in the organization:

- **Tall structures:** These structures are found in classical bureaucratic organisations. In this structure, a manager can supervise less number of subordinates. He can, therefore, exercise tight control over their activities. This creates large number of levels in the organisation. This is also known as narrow span of control.
- **Flat structures:** These structures have a wide span of control. When superior supervises a larger number of subordinates, flat structure is created with lesser number of hierarchical levels.

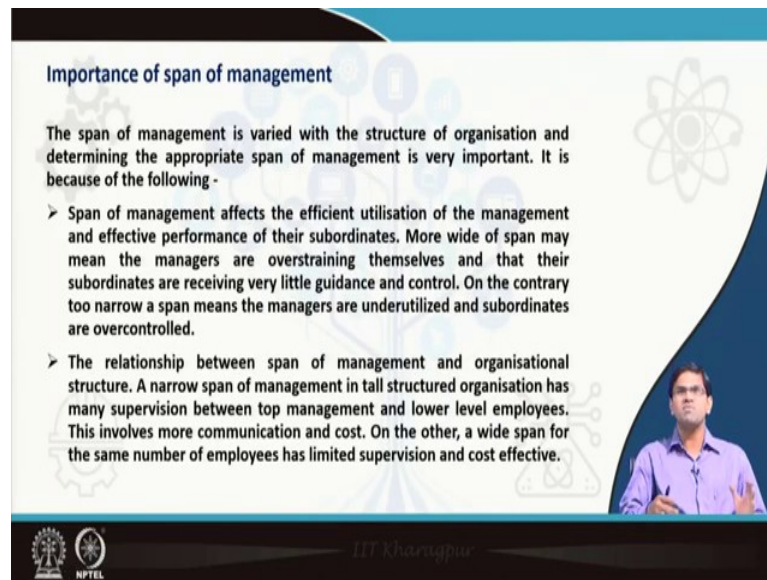
Let say he is a manager you are a manager now under you let me call 1 2 3 4 5 6 7 8. Now, if you see as a manager, you are able to control these many people they are become a flat structure because for example, you know in tall structure what you have seen it is only three people. Let us say you know here it is 3, now 4, 5, 6 and 7, 8 become the low this become a tall structure, this become a flat structure ok.

So, you are able to try to distinguish between the tall structure and a flat structure. Flat structure what will happen you know you have a wide span of control because you know you are controlling so many people whereas, in the tall structure you are only controlling few numbers of people tall structure ok.

So, means you will be able to exercise more tight control on these employees whereas, in the flat structure what will happen? You are able to you need to control 8 people. So, it may not be that you know tight control because you know you need to look at all 8 people and you need to supervise all 8 may not be you know able to spend more time closely with these number of employees or the subordinates under you.

So, now I have we have understood about the you know two structures flat you know flat and tall structure. Let us try to understand more about these structures ok

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Importance of span of management

The span of management is varied with the structure of organisation and determining the appropriate span of management is very important. It is because of the following -

- Span of management affects the efficient utilisation of the management and effective performance of their subordinates. More wide of span may mean the managers are overstraining themselves and that their subordinates are receiving very little guidance and control. On the contrary too narrow a span means the managers are underutilized and subordinates are overcontrolled.
- The relationship between span of management and organisational structure. A narrow span of management in tall structured organisation has many supervision between top management and lower level employees. This involves more communication and cost. On the other, a wide span for the same number of employees has limited supervision and cost effective.

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Now, before we go and understand between these flattened you know tall structures, let us try to understand the importance of span of management. Why as an organization we need to worry about the span of management. You know as a company they know it is easily you know whichever company they can decide on their own, but it is very important to understand why the span of management important.

So, of course, span of management varies with respect to different organization structure of the organizations and you know needs of the organization most often you know decide the kind of span of management organization going to setup.

The span of management affects the efficient utilization of the management and effective performance of their subordinates. Because you know sometimes what happened you know wider span may mean that manager maybe over straining themselves because let us say you know I need to control so many people. I need to overstrain, I need to stretch myself to do a large extent to you know try to control sometime you know that will create lot of stress on you, pressure on you and there.

And, then more over you know wide span of you know management when you are talking about a flat structure, if it is very wide what will happen you know the subordinates very receive very little guidance and control. For example, if it you know whereas, in a short you know span of control or a small span of control what will

happen? Since the number of subordinates under you is very less, these subordinates will be able to get lot of inputs and guidance from the manager.

Whereas, in the other case if there is a wide span of control, what will happen? The manager may not be able to give you know sufficient time to you know guide the subordinates right. So, on contrary two narrow spans manager will be you know able to provide more and sometimes what will happen? Manager you know manager capacity really high, but they are only given three people to control you know they will sometime underutilized right. Subordinates are over controlled.

Since you know only few people all the time, they will interfere you know supervise they give directions every time. So, that will actually you know may exercise lot of control over them and at the other end what will happen? You know the highly qualified manager they feel you know they are underutilized because I need to manage only 3 people. But I have a capacity where I can manage 8 to you know 7 to 8 people, but instead I managing only 3 people.

So, now the relationship between span of management and organizational structure. The narrow span of management is a tall structured organization as many supervisions between top management and low-level employees right. So, when I have a you know tall structures, what will happen? There are many levels and you know then you need a supervisor; the top management is sitting on the somewhere on the top maybe at the one level and then where if you look at the lower level of employees 8 levels below, then you know this means lot of communications and there is a cost involved right.

Because you know if you are having a so many levels and structures in your organizations what will happen? You know you need to create a proper communication structure sometime there can be you know poor communications can happen; lack of communication might impact your company at the same time you need to also increase the cost because you are creating many levels.

The moment you are creating many levels definitely cost associated with it is always coming up because for example, you need to hire more managers for each level to manage those setups subordinates working in that particular level. On the other hand, a wide span for the same number of employees, limited supervision and cost effective

because you know wide span what will happen? You have one manager who is controlling 8 people.

So, you are actually paying for a one manager whereas, in a tall structure every level you need to have some supervisor to control them. So, you need to hire them, pay them. So, that is a cost right then.

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Factors influencing span of management

- **Competence of managers:** If managers are competent in their jobs, they can have a wide span of management. Competence of managers is judged by their ability to make decisions related to motivational plans, leadership styles, communication channels and chains, techniques of control etc.
- **Nature of work:** If employees perform similar and repetitive work, managers can supervise large number of subordinates and, thus, have a wide span of control. Non-repetitive and challenging work requires narrow span of control.
- **Assistance to managers:** If managers have access to technical or secretarial assistance, a larger group of subordinates can be managed. Span of control can, therefore, be wide. Staff assistance can be useful for collecting and processing information related to various decisions and issuing orders to the subordinates.

The slide features a blue and white color scheme with decorative icons of gears and a network diagram. A small video inset in the bottom right corner shows a man in a purple shirt speaking. The NPTEL logo and 'IIT Kharagpur' are visible at the bottom.

Now, let us try to understand what are the factors, which are going to influence this span of management. First the very first one is competence of the manager. The competence of the manager you know the capability and ability of the manager right.

If a manager is competent in their job, they can have a wide span of management right because you know as a manager, I am really capable, I have a lot of ability to control or supervise you know let us say 8 to 10 people. So, I can have a wide span of control.

In case of competence of manager is low then you cannot have a wide span of management. You need to have a narrow span of management, then you need to create many levels or you will at least need to hire many managers to control the large number of employees. So, there is a cost. So, competence of the manager is judged by the ability to make decisions related to motivational plan, leadership styles, communication channel, chains and techniques of control ok.

Then second one is nature of work. See, you know the kind of a job being done by the employees; if employee performs a similar or repetitive job right the manager can supervise large number of people because you know there is no innovations or no you know need for creativity to bring in you know. It is only a repetitive job, monotonous job, you go just see for example, assembling you know.

If you go to a company where you sits only they do a you know assembling or packaging sections, they do day in and day out they are repeatedly doing the same job then in that case you know you can you do not need to have you know many supervisor you know rather you have one supervisor to control 20 – 30 people because you know they are going to repeat the same job, it is easy for you know one person to supervise because you know by the time they do repeatedly they become expert in doing their particular job. So, it is easier.

Whereas, you know if you look at you know creative jobs, you know non-repetitive job you know, there is lot of you know challenges or more volatility, and you know you need to work vibrantly, then you need to have a you know less span or narrow span of management because you know you cannot just let it go because you know it will have a lot of impact on the company.

Then, assistance to manager. If a manager have access to you know technical or secretarial assistants then he or she can actually manage a large number of you know subordinates right because you know I have some assistants who can provide me technical support to my subordinates, who can provide you know more information about what is the work going and what level of job been done by my subordinates, then it you know manager can go for a large span of control.

So, I can have more people because I have some secretarial assistants who can time to time provide feed me with lot of information and you know technical support. So, you know so, staff assistance can be very useful for collecting and processing information related to various decision-making right. So, then the manager can have a you know wide span of management.

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The slide is titled "Factors influencing span of management" and lists three key factors:

- **Competence of subordinates:** If subordinates are competent to manage their jobs without much assistance from the superiors, span of control can be wide. Competent subordinates do not require frequent directions from the superiors with respect to various organisational activities.
- **Plans and policies:** If plans clearly define the organisational/individual goals and policies, superiors can supervise a larger group of subordinates and have a wide span of control. Clearly defined plans include well-formulated policies procedures, methods etc.
- **Organisational level:** The top executives look after important and specialised activities and, therefore, the span is narrow at the top level but at lower levels the span can be wide, since supervisors are mainly concerned with routine jobs.

Handwritten notes in red ink on the right side of the slide include:

- "TOP LEVEL" with arrows pointing to "CEO" and "COO CFO".
- "Narrow" written below the top level roles.
- "Supervisor" written below the top level roles.
- "30-40 ppl" written below "Supervisor".
- "Wide" written below "30-40 ppl".

The slide also features a presenter in a blue shirt on the right side and logos for IIT Kharagpur and NPTEL at the bottom.

Then, competence of subordinates. See, you know in an team if the team members are really competent enough to manage, the day to day affairs and then they are really you know agile and then they are really capable competent enough to handle their jobs and you know take the you know let us say you know there is a query comes up from the clients, they are able to respond to the client on their own considering the business situations. Then if they are really competent so, then you know manager can take the go take that as a leverage and then go for a wide span of management.

In case if my team members are dependent are not that really competent I they need always direction they need always inputs and information, then in that case it is very difficult to go for a wide span of management rather you go for a you know narrow span of management because you know you need a manager or you need some level of people superior to you know give them time to time instructions, you know information, directions so that you know they are performing better right, yeah.

Then plans and policies – if an organizations has a clear set defined policies when the rules and guidelines is able to guide or govern the people and if the rules existing it can you know guide the people what they have to do in critical situation or let us say if you want to take a decision, if there is a lay down rules you can just simply go refer to the policy book or the rule book.

If you are able to do in that case you can have a wide span of management because you know though manager has a certain responsibility towards you know delivering information or sharing information, but of course, the you know defined policies and rules will be taking care of the most of the time. So, it is easier right there is a more clarity on kind of a job to be done what has to be done, and what circumstances. So, the rules and guidelines will provide more information.

So, in that case organization go for a wide span of management if the policies are not that well established, not collectively made then in that case it is better to go for a narrow span of management, then organization level. So, top executives look after important and specialized activities. Therefore, the span is narrow at the top level and low level the span can be wide; you know since you know supervisors mainly you know concerned the routine jobs.

See, the organizational type of level you are talking about right. So, as I said in the beginning like CEOs; CEOs will have a very narrow you know span of management, the reason being because you know as I said CEO has to let us say you know CEO has responsibility say CEO right ok.

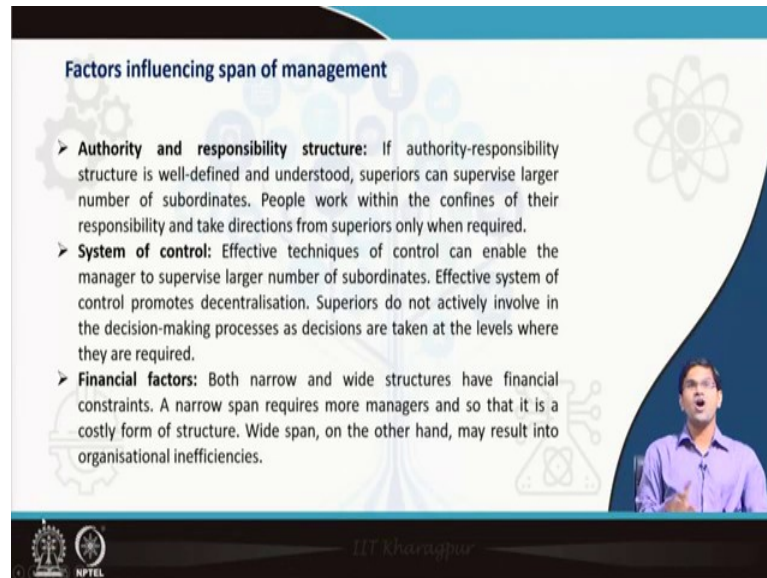
Now, let me talk about CEOs you know span of management. This is at the top-level right. On a top level the span of management simply chief technical officer, chief operating officer, chief financial officer most of the organization will have these three roles. Now, the span of management for the CEO is very simple. So, he has to he will report to CEO, he, she, he will report to CEO he will report to. So, the span of management is very simple, it is very narrow.

Whereas, if you are looking at a supervisor at these shop floor let us say talk about you know some automobile industry. So, supervisor in the production floor, what will happen? Under the supervisor there will be a shop floor. So, how many people generally work? On an average at least minimum 30 to 40 people working in a one shop floor, right. So, let us say you know supervisor has to handle 30 to 40 people here right.

Now, what happens? Its span of control is wide whereas, here at the top level it is narrow because CEO top level you need to manage only a few levels few numbers of employees. So, that is why you know even the top level it is always narrow and then in the lower level if you go down it becomes you know wide ok, yeah.

So, apart from these factors, what are the other factors, which is going to influence a what kind of a span of management the company has to have? So, ok.

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Factors influencing span of management

- **Authority and responsibility structure:** If authority-responsibility structure is well-defined and understood, superiors can supervise larger number of subordinates. People work within the confines of their responsibility and take directions from superiors only when required.
- **System of control:** Effective techniques of control can enable the manager to supervise larger number of subordinates. Effective system of control promotes decentralisation. Superiors do not actively involve in the decision-making processes as decisions are taken at the levels where they are required.
- **Financial factors:** Both narrow and wide structures have financial constraints. A narrow span requires more managers and so that it is a costly form of structure. Wide span, on the other hand, may result into organisational inefficiencies.

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Next is authority and responsibility structure; if an authority and responsibility structure it is very similar to rules and you know policies, if it is well defined and understood superior can supervise large number of subordinates. In case if the you know there is an ambiguity, there is no clarity on the delegation of authority and then accountability of each of these employees, then it is very difficult to have a narrow span of control you know wide span of management. So, then you need to go for a narrow span of management.

Then system of control, you know if there is an established effective system existing on the control system, then you know manager can supervise many people. For example, let us say in the you know a coding or the software fields you know if there is an error occurs and if you just feed the information if there is you know inconsistency or it will always show up a dialog box and say there is an error and then error also will tell you that you know what is an error is.

So, in that kind of an automated system automated system of control exist, what will happen you know, in that particular it is automatically taken care right those deficiencies in the job is been taken care automations right there is a control. In that situations you know one manager can handle many you know many employees. In case if there is for

example, there is no you know automatic pop up dialog is not coming in the place. So, what will happen?

So, you will input the feed, then you know you will find that there is an output is not coming then you need to go talk to your manager. In that situation, manager cannot handle so many employees, they need to have a very a smaller number of employees.

So, system of control is also very important though if you have a very effective system of control, then you know you do not need to have you can go for a large span of management because you know there are lot of centralization, decentralization because people you know manage their activities on their own.

Then financial factors. So, both narrow and wide structures have financial constraints. So, how do we say financial constraints? A narrow span requires more managers so that it is costly form to form a structure. So, it is very simple right there are many levels. Each level will get their own supervisor or the manager right. So, then there is a cost right you need to pay the manager more.

And, wide span of the other end may result in organizational inefficiency; what happened the wide span? So, maybe one manager it is handling large number of employees, but there can be an inefficiency by these employees because you know this manager is not able to provide you know specific input or not able to provide more time or more input, more information to their employees.

This can result into organizational inefficiency; maybe you know the output maybe the quality of the output may be poor maybe low. So, that will actually impact the organizations business itself. So, both these spans of management wide while will have differently some financial constraints. So, based on the kind of a financial situations your company is managing, you will go for it.

For example, there is a you know if there is a lot of financial you know restrictions on spending on human resources, what will happen you know, the company are forcibly to have to go for a wide span of management because you know I cannot have many manager because as a company I do not have the budget to pay my manager. So, I will go for a smaller number of managers. I you know in turn I ensure that you know these

managers taking care of large number of employees. So, they will go for a wide span of management.

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Advantages of span of management in tall structures

The advantages of span of management in tall structures are as follows:

- 1. Close supervision:** Managers can closely supervise activities of the subordinates.
- 2. Effective communication:** There can be better communication amongst superiors and subordinates.
- 3. Building better relationship:** It promotes personal relationships amongst superiors and subordinates.
- 4. Effective control:** Control on subordinates can be tightened in a narrow span.

The slide features a blue and white color scheme with decorative icons of gears, a tree, and a person. The NPTEL logo is visible in the bottom left corner, and the text 'IIT Kharagpur' is at the bottom center.

Then, what are the advantages of the span of management in tall structures? Now, we are going to the two structures you know tall and flat structure. So, the advantages of in the tall structure you know close supervisions because you know you will have only few subordinates to supervise.

So, they will have a close supervision, they will provide time to time inputs right. So, they will be able to closely work with the subordinates. This will also provide them lot of opportunity to you know bring them develop this set of you know subordinates to make them as a manager. So, there is a close connection between the manager and the subordinate.

Now, effective communications. Since you know there is only few people to communicate, so, there can be better communication amongst superiors and subordinates because there is a frequent interactions transaction between the manager and the subordinate. So, the communication will be better, the relationship will also be better right. So, building better relationship.

So, it promotes you know personal relationship amongst superiors and subordinates because as the number of subordinates is very less the relationship bond will be very

high. You know they you know spending you know time together; they are able to closely work you know and then there is a very a smaller number of people there will be you know a greater number of interactions happening between the manager and the subordinate. So, there will be a better relationship.

Then effective control: as in it is very simple because there is a smaller number of people. So, there is a more control they will be able to exercise more control, there is an effective control when there is even when a small deviation happens the manager is able to identify right.

So, that is the advantages of you know tall structure where there is you know narrow span of you know management, because only few people even the small deviations manager able to recognize it and then you will be able to, he or she will be able to address the inconsistency or inefficiency.

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Disadvantages of span of management in tall structures

The disadvantages of span of management in tall structures are -

1. It creates many levels in the organization structure which complicates coordination amongst levels.
2. More managers are needed to supervise the subordinates. This increases the overhead expenditure (salary etc.). It is, thus, a costly form of structure.
3. Increasing gap between top managers and workers slows the communication process.
4. Decision-making becomes difficult because of too many levels.
5. Superiors perform routine jobs of supervising the subordinates and have less time for strategic matters.
6. Employees work under strict control of superiors. Decision-making is primarily centralized. This restricts employees' creative and innovative abilities.

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Now, so, what are the disadvantages? Of course, you know we talked about advantages definitely it also comes with certain disadvantages. So, in a tall structure what happen, it creates many levels in the organizational structure which complicates coordination among levels. As I said you know there are many levels when you have more levels it is actually increasing the complexity of coordination.

As you know we in the last module we have talked about coordination you know differentiation, integrations, so, when the moment there is a more levels everybody have to work towards the organization goal then there is a more need for you to coordinate and you know the complexity increases right. Then more managers needed to supervise the subordinates.

This increases you know overhead expenditure right the salary has to be paid for each manager. For example, let us say you know one level who have you know let us talk about a company where in one level you have 200 employees.

So, as per the organizational structure you are a tall structure you are actually trying to manage you know 5 people for a you know under a leader, then what will happen? You know eventually have to have you know how many people; you know 5. So, you need to have 40 supervisors to manage 200 people. So, it becoming very difficult. So, then it is actually increasing the cost.

Then increasing gap between top managers and workers slows the communication process because as the tall structure the top management sits at the top and then the there will be many levels to reach the lower level of employees. So, what will happen?

The communication process you know let us say you know somebody at the lower level of employee has to pass on some information to the top management; it has to move to each level to reach the top. By the time it reaches you know it is very slow right. So, the expectations of the low-level employees they will be disappointed because they have to wait till the response comes flows from the top right.

Then decision making becomes difficult because of too many levels. You know sometimes you know the decision-making levels you know it will have some difficulties because there are many levels let us say you know if let us say you are in this level and then here is the top management right. So, in this level at the lower level you wanted to make some decisions.

So, what happened? Eventually, what will happen if you want to make some decision it has to get approval from the one level up, then another level up and another level up. So, it means you know it is going to take a lot of time. So, decision making is not faster, it is always slower right.

Superiors perform routine jobs of supervising the subordinates and have less time of strategic matters because you know they will just only supervise the people they do not get engaged in these strategic you know matters. They do not engage in the decision-making process or the contribution towards these setting the organizational structures.

So, employees work under a very strict control or superiors because you know the you know narrow span of management you know there is no freedom provided to these subordinates because you know they these managers has only a few people to supervise, they will exercise lot of power they provide instructions. So, and then you know decision making is primarily centralized ok. So, you know there is no scope for creativity and innovation to come in because the manager all the time overrule them ok. These are the disadvantages.

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Advantages of span of management in flat structures

The advantages in flat structures are as follows –

1. There is low cost as less number of managers can supervise organizational activities.
2. The decision-making process is effective as superiors delegate authority to subordinates. They are relieved of routine matters and concentrate on strategic matters. The decision-making is decentralized.
3. Subordinates perform the work efficiently since they are considered worthy of doing so by the superiors.
4. There is effective communication as the number of levels is less.
5. It promotes innovative abilities of the top management.

The slide features a blue and white color scheme with decorative icons of gears and a network diagram. A small inset video shows a man in a purple shirt speaking. Logos for IIT Kharyapur and NPTEL are visible at the bottom.

Now, let us try to understand the advantages of the flat structure. So, a low cost compared to the tall structure because you know it is only few levels and then it is easy to pay them because there is no differentiation of the cost because as the tall structure you need to pay people at every level, you need to pay little higher than the previous level. So, there is a cost.

Whereas, in the flat structure low cost has the smaller number of managers can supervise the organizational activities and then decision-making process is effective as superiors delegate authority to subordinates because as a one manager has to manage so many

employees, so what will happen? Manager generally delegates lot of responsibilities to the subordinates.

So, they are relieved of routine matters and concentrate on the strategic matter. What will happen because you know as I delegated the responsibility in authority to my subordinates. So, I better I focus on the prospect of the company. I will participate in the decision-making matters at a strategic matter in the company and you know decision making decentralize because you know they delegate responsibility in authority, but decision making is happening at the employee level not at the manager level.

And, subordinates perform work efficiently since they are considered worthy of doing. So, by the supervisors and there is an effective communication as the number of levels is very less because the communication gap there is no much scope for the communication gap because you are in a very few levels. And with the very few levels, you know you do not see that you know information being distorted there is a less distortion of communication happens.

So, it is actually been easily passed and it promotes innovative abilities of the top management because the lot of participation happens at the subordinate levels and there is a more scope for innovations and creativity to happen yeah.

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Disadvantages of span of management in flat structures

1. Superiors cannot closely supervise the activities of employees.
2. Managers may find it difficult to co-ordinate the activities of subordinates.
3. Subordinates have to be trained so that dilution of control does not affect organizational productivity.

Both tall and flat structures have positive and negative features and it is difficult to find the exact number of subordinates that a manager can effectively manage. Some management theorists like David D. Van Fleet and Arthur G. Bedeian assert that span of control and organizational efficiency are not related and many empirical studies have proved that span of control is situational and depends on a variety of factors.

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Then, what are the disadvantages? Of course, you know though there are advantages of the flat structure, but some disadvantages also come with the flat structure. So, superior cannot closely supervise the activities, as in the tall structure what I said even a small deviation that you know the signal will be easily observed by the manager because he has to manage only few people whereas, in this case what happens? Superiors cannot pay a close attention because they have to manage so many people.

So, maybe by the time the you know deficiency or the deviations becomes larger that time only you know this manager will take a cognizance of the issues or that is a challenge. So, manager may find a difficult to coordinate the activities of the subordinations since there is so many employees under them to supervise. So, there is lot of time required to you know manage the coordination's or sometime they feel it very challenging to do it.

And, then subordinate have to be trained because you know there are lot of delegations of responsibility in authority happens the moment you are able to delegate, then the decentralization the decision making happens obviously, you need to train them unless otherwise you do not train them so, it will actually you know impact because you cannot let it just like that you cannot let it go because it is going to impact your organizational productivity. You need to train them; so that the you know they will also learn how to make the decisions.

Now, we learnt about both the structures and you know advantages and the disadvantages. So, of course, both of some of the positive and negative features it is difficult to find exact number of subordinate that a manager can effectively manage. So, it is very difficult because we said you know so many factors influenced to make decision on what kind of a management span of management I can go far.

So, you know multiple factors sometimes competency of the manager sometimes the competency of the subordinate. Let us say you know you decide that you know the competence of the manager is really higher than you made you know wide span of management, then if your subordinates are really incompetent then there is a too much of load on the manager right.

Then you need to have you know narrow span of management. So, it is very difficult to make a judgment, but now it is inducing critic. What is it meaning that you know you

need to make you know based on the organization based on the kind of task, based on the kind of a project you work on you know the span of management has to be decided?

You cannot have a single you know solution to you know fit the all probable you know perspective; it is better that you know you make a you know calculated effort for each organization kind of a project you take. So, you know and span of control and organizational efficiency are not related, many empirical studies have proved that you know span of control is situation and depends on variety of factors.

As we said you know it based on various factors you know what kind of a span of management you can go further. Now, for example, we talked about rules and regulations, you know efficient control system, automations are coming up now. So, in that you know development technological advancement it is always you know better that you know you will have a you know narrow structure because you know technology is doing the rest of your job, then you can go for a narrow structure.

Because, let us say you know now you have a you know ERP system you know Enterprise Resource Planning, where you know everything is you know collected at one go and then everybody can you know access the information about all employees in that you know kind of a network structures where you will can go for a you know wide span of control because you know through this kind of you know technological advancement we are getting we are able to control large number of employees.

So, based on the kind of a system you have kind of a technological advancement you have and again the competency of the manager is to be considered to decide the what kind of a span of management you can go for it ok.

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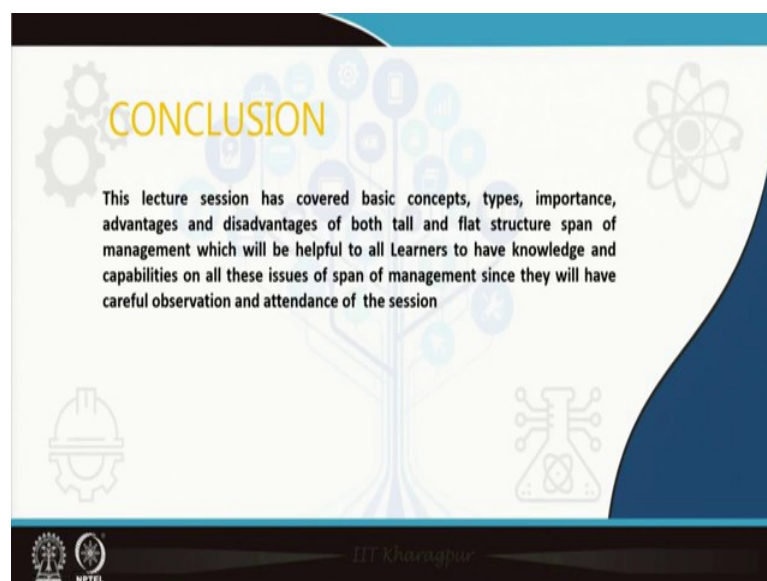


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CONCLUSION

This lecture session has covered basic concepts, types, importance, advantages and disadvantages of both tall and flat structure span of management which will be helpful to all Learners to have knowledge and capabilities on all these issues of span of management since they will have careful observation and attendance of the session

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So, today we learnt about the span of management, as a concept and then we also discussed about the type of you know span of management and we also seen the advantages and the disadvantages, ok. The next lecture we will be discussing about the centralization and decentralization.

Thank you.