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Lesson No.

- 1.1 : Meaning, Nature, Scope and Significance of Public Administration
- 1.2 : Comparison of Public Administration with Private Administration
- 1.3 : Relationship of Public Administration with Political Science, Sociology, Economics and History
- 1.4 : New Public Administration and New Public Management
- 1.5 : Organisation - Meaning, Bases
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**MEANING, NATURE, SCOPE AND SIGNIFICANCE OF PUBLIC
ADMINISTRATION**

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1.1.0 Objectives

Studying this lesson will enable you to:

- define the concept of Public Administration;
- describe its nature and scope;
- explain it as a science and an art;
- appraise its significance.

1.1.1 Introduction

The scope of State activity has expanded, the functions of modern States have increased tremendously with an increase in the multifarious needs of its subjects. Now the State no longer remains a Police State responsible for the maintenance of law and order, dispensation of justice and protection of country from external aggressions and collection revenue. Under the impact of political consciousness and scientific advancement the negative concept of Police State has been replaced by a positive concept of Welfare State. The Welfare State performs important public and social functions and ensures rights to the public and is responsible for all around development of an individual and society at large. With the expansion of activities of modern state, Public Administration has come to occupy great importance in the modern society. In fact the success and failure of the activities of the State depends upon its administration-Private as well as Public. It is essential to create social harmony and maintain peace, law & order and stability in society. When Public Administration has such an important place in state and society, it is worth knowing its meaning, nature as well as significance.

1.1.2 Meaning of Public Administration

The concept of Public Administration has been given various interpretations. It is a collective whole made by combining two words 'Public' and 'Administration'. In order to understand the meaning of Public Administration, meaning of both should be defined and understood separately.

1.1.2.1 Meaning of Administration

The word 'administration' is derived from Latin words 'ad' and 'ministraire', which means to serve. In other words, it is the management of affairs or proper administering or ordering of the collective activities of human beings. As a result of the complex demands of modern life, all the human activities are collective and cooperative, administration is practised by all organisations, public and private, i.e., from the household to the most complex system of Government. According to Pfiffner: 'Administration is the

organisation and direction of human and material resources to achieve desired ends.' In the same spirit, Nigro, of course in brief, defined that 'Administration is the organisation and use of the men and material to accomplish a purpose. In the words of Simon, 'Administration can be defined as the activities of groups co-operating to accomplish common goals.'

Administration, therefore, means proper organisation of men and material in pursuit of desired ends. The problem of administration arises in all fields of human life. Man is a social animal and it requires that all activities are properly organised and managed. Without proper organisation and management, it would be difficult for men to live together and have a peaceful life. Administration, is thus necessary in all human grouping. 'It involves rational organisation and management of men and material.'

1.2.2 Meaning of Public

Public is a collective name given to the people of a definite territory or state. As the will of the people and State is represented by the government, the word 'Public' has a specialised meaning i.e., government. Therefore, when acts of administration are performed by the government either in centralised or decentralised manner at the Central, State or local level, it is called Public Administration, while the acts of an individuals or, individuals done in their own capacity to achieve its own ends termed as private administration.

1.2.3 Various definitions of Public Administration

Like administration, Public Administration, too has been defined differently by different writers.

According to L.D. White, "Public Administration consists of all those operations having for their purpose the fulfillment or enforcement of Public Policy."

Woodrow Wilson defines, "Public Administration as detailed and systematic execution of public law, every particular application of general law is an act of administration."

Pffifiner observes, "Administrations consists of getting the work of government done by co-ordinating the efforts of the people so that they work together to accomplish their set tasks."

Waldo says, "Public Administration is the art and science of management as applied to the affairs of state."

Percy Macquinn remarks. "Public Administration is related to the operations of government whether central or local."

M.E. Dimock says," Public Administration is concerned with the what and

the how of the government. The what' is the subject matter, the technical knowledge of a field which enables the administration to perform his task. The how' is the technique of management, the principles according to which co-operative programmes are carried to success."

In the words to Luther Gullick, " Administration has to do with getting things done. Public Administration is that part of the science of administration which has to do with government and thus concerns itself primarily with the executive branch where the work of government is done though there are obviously problems also in connection with the legislature and judicial branches."

Simon defines in the same spirit and says, "By Public Administration is meant, in common usage, the activities of the executive branches of the national, state and local government."

Willoughby writes, "The term administration may be employed in Political Science in two senses, in its broadest sense it denotes the work involved in the actual conduct of government affairs. In its narrow sense it denotes the operations of the administrative branch only, As student of Public Administration we are concerned with the narrow meaning of the term".

If an analytical study of the above definitions is made it becomes obvious that the term Public Administration has been used in two senses. L. D. White, Woodrow Wilson, Pfiffner, Waldo, Dimock have taken the broader view and according to them Public Administration includes all the activities of the government whether falling in the sphere of legislature, executive or judicial branch of the government. But on the other side, Luther Gullick, Simon, Willoughby and others take the narrow view that "Public Administration is concerned with the activities of executive branch only . The broader view is termed as integral view" and the narrow view is termed as managerial view.

Though much can be said in support of both sides, yet none of these views can be accepted as complete one. All the principles of the government are interdependent and their several activities are of mixed nature. If it is accepted that Public Administration is a systematic application of law or public policy, it does not mean that it is confined merely to execution and has nothing to do with the making of the policy. In fact, Public Administration is concerned with the execution and to some extent with the planning & formulation of the policy. The legislature has to depend upon the Executive for preparing the public policy as (i) political head of the government makes

the policy on the basis of the data and suggestions provided by the administrators, (ii) the legislature only passes the policy in broad out-lines and leaves it for the administrators to fill the gap according to the circumstances, (iii) all amendments in the existing legislations emanates from the executive who in the light of day to day difficulties, which arise in implementation, are the first to discover what change or modification is needed (iv) the policy formulation does not take place at the highest political level of the government only as it takes place at all steps of administrative hierarchy during the course of implementation.

Moreover it cannot be accepted that the problems of administration, even in the narrow or managerial sense are confined only to the executive branch, certain administrative activities are nevertheless present in the legislative and judicial branches. For example, the summoning and dissolution of the sessions of the legislature. maintenance of the discipline in the house are activities of administrative nature. Similarly, the work of judiciary too includes administrative functions like the supervision, inspection and control of lower courts by the high courts.

Therefore taking into consideration all the facts, it can be said that Public Administration deals with all the activities of the executive branch of the government and also with those activities of legislature and judiciary which are of administrative nature. It has been rightly remarked by M. P. Sharma, "Public Administration is nothing less than the whole government in action."

Assess Your Self I

Note: (i) Use the space given below for your answers

(ii) Check your answers with those given at the end of the lesson.

Public Administration consists of all those operations having for their purpose the fulfillment or enforcement of Public Policy. Who gave this definition ?

(ii) Explain in your own words the meaning of the term “Public Administration’

1.1.3 Nature of Public Administration

Like the definition of Public Administration, there are two view points regarding the nature of Public Administration. This difference of opinion is based on the broader and narrower concept of the definition of Public Administration. Broader viewpoint is termed as integral while the narrow concept is called the managerial view.

1.1.3.1 Managerial View

According to the Managerial view, which administration includes the works of only those persons who are engaged in the performance of managerial functions in an organization i.e. only those persons who shoulder the responsibility of keeping the enterprise working and run it most efficiently should be included. Simon, Smithburg, Thomson, while subscribing to this view remarked, “The term is also used in a narrow sense to refer to those patterns of behaviours that are common to many kinds of co-operating groups and that do not depend upon either the specific goals towards which they are co-operating or the specific technological methods used to reach these goals.” Supporting the same view, Luther Gullick also remarked that Administration has to do with getting things done, with the accomplishment of defined objectives.” In other words the exponents of this view confine Public Administration to the activities of executive branch only.

1.1.3.2 Integral view

According to the supporter of this view Public Administration is the sum total of all the activities undertaken in pursuit of and in fulfillment of

public policy. This means administration is the sum total of all the activities i.e. manual, clerical, technical and managerial which are undertaken to achieve the desired aim. In other words, Public Administration is conceived in a comprehensive sense to include all activities of the Government. The main supporters of this view are: L. D. White, Woodrow, Wilson, Marshall Dimock and J. Pfiffner, who take the broader concept of Public Administration. As L. D. White, while defining Public Administration has categorically remarked. "Public Administration consists of all those operations having for their purposes the fulfillment or enforcement of Public policy." This definition covers a multitude of particular operation in many fields-the delivery of letters, the sale of public land, the negotiation of a treaty, the award of compensation to an injured workman, the removal of litter from a park, manufacturing of plutonium and licensing the use of atomic energy."

1.1.3.3 Critical Analysis

Both these views differ from each other in many respects. Firstly, integral view includes the activities of all persons engaged in administration where as the managerial view restricts administration only to the activities of a few persons at the top. In other words, integral view includes all types of activities manual and managerial, technical and non-technical where as managerial view confines itself to the managerial activities in an organization.

Secondly, integral view includes the activities of all the branches of government i.e. legislature, executive and judiciary but according to managerial view, it is concerned with the executive function only. Neither of the above mentioned views can be accepted as final for both of these versions suffer from the defects. It would be better to understand the term depending upon the context in which it is used. Dimock, and Koeing have tried to sum up the nature of Public Administration keeping in view all the aspects. According to them. "As a study Public Administration examines every aspect of government's efforts to discharge the laws and to give effect to public policy; as a process it is all the steps taken between the time an enforcement agency assumes jurisdiction and the last break is placed (but includes also that agency's participation, if any, in the formulation of the programme in the first place); and as a vocation, it is organising and directing the activities of other in a public agency."

Assess Yourself II

- Note:** (i) Give your answer in the space provided.
(ii) Check your answers with those given at the end of the lesson.

Q1. Name the two views and the thinkers who gave these views about Nature of Public Administration

Q2. Critically analyze managerial and integral view.

1.1.4 Scope of Public Administration

The diversity of opinion regarding the definition of Public Administration also confronts us with regard to its scope. "The difference of opinion centers around the crucial point whether Public Administration is the managerial part of the governmental or the entire complex of the activities of only the executive branch of governmental or of all the branches." No doubt, broadly speaking Public Administration embraces the entire area and all the activities of the government but in practice, "it has come to signify primarily the organization, personnel, practices and procedures essential to the executive branch of the government." It means Public Administration, of course, is concerned with the activities of all the three branches of government but as a discipline, studies only a part of executive branch and that is why

some people prefer to define Public Administration as the executive in action . It does not include the study of judicial or legislative administration although they too share in the implementation of public policy.

From this above view point the study of the scope of Public Administration can be divided into the following heads :-

- (i) 'General Administration' : that is who is to perform the functions of direction, supervision and control over administration.
- (ii) 'Organization' : how are the services to be organized for the actual performance of administration work ?
- (iii) 'Personnel' : Who are to manage the different services and activities?
- (iv) Material, supply, plant and equipment to be provided to the personnel for the discharge of their duties.
- (v) Finance

It means the scope of Public Administration is to study the problems of four Ms. i.e. men, money, material and methods in administration.

1.4.1 POSDCORB View of the Scope of Public Administration

Luther Gullick while elaborating the above mentioned problems of Public Administration has coined the word POSDCORB which means planning, organising staffing, directing , coordinating, reporting and budgeting.

'Planning' means working out broad outline or the things that need to be done, the method to be adopted to accomplish the purpose set for the enterprise.

"Organising ' means building up the structure of authority through which the entire work to be done is arranged into well-defined sub-divisions.

'Staffing' means appointing suitable persons to the various posts under the organization and the whole personnel management

'Directing means making decisions and issuing orders and instructions and embody them for the guidance of the staff.

'Co-ordinating' means to co-ordinate the parts of work and eliminating chances of overlapping and conflict.

'Reporting' means keeping both the supervisors and subordinates informed of what is going on and arranging for the collection of such information through inspection, research and records.

'Budgeting' means fiscal planning , accounting and control.

1.1.4.2 Scope of Public Administration according to Integral View

POSDCORB view held ground for more than a generation but eventually a reaction arose against it. It is said that POSDCORB activities are said to represent the techniques which are common to all the fields of administration but they do not form whole of administration. It is said that there are some very important techniques which are not covered by POSDCORB activities. For example, in Public Administration the techniques of crime detection, prevention of breaches of peace etc., which are of more vital importance for efficient police administration, do not come under the purview of this view. Moreover even these common techniques which have been covered by POSDCORB require different treatment in different spheres of administrative activity. For example, the organization in armed forces has to be very different from that in education, According to M. P. Sharma "Emphasis on the managerial tasks to the neglect of specialized techniques of the various fields of concrete administrative activity is, therefore, to miss the very heart of administration."

1.1.4.3 Comprehensive View

A more detailed and comprehensive account to the scope of Public Administration has been given by Walker. He has divided it into two parts:

1.1.4.3.1 Administrative theory.

1.1.4.3.2 Applied administration.

1.4.3.1 Administrative theory : includes the study of structure, organization, functions and methods of all types of Public authorities, regional, local etc., engaged in carrying out the administration. It is a study of all types of controls i.e. control of Parliament and Cabinet over administration, internal control of administrative machinery. Further it also includes the study of problems relating to research, planning, programming and execution of public actions, recruitment and other problems of personnel administration, information and public relations.

1.4.3.2 Applied Administration : Walker has tried to classify the main forms of applied administration on the basis of ten principal functions :-

- 1. Political :** Political functions of administration include the study of executive-legislature relationship, political-administrative activities of the cabinet, minister-official relationship.
- 2. Legislative functions:** include delegated legislation, Preparatory work done by the officials in drafting of bills to be introduced in the legislature.

3. **Financial Functions** : include the whole of financial administration the preparation of the budget, its execution, accounting, audit, treasury management, etc.
4. **Defensive Functions** : include the study of military administration.
5. **Educational Functions** : cover all aspects of educational administration.
6. **Social administration** : covers the activities of department of food, housing, social security, employment etc.
7. **Economic administration** : includes all activities relating to economic field i.e. industries, agriculture, foreign trade, commerce, public enterprise etc.
8. **Foreign administration** : deals with the conduct of foreign affairs, diplomacy, international cooperation, administration of the international agencies of various kinds.
9. **Imperial administration** : includes the problems and techniques of imperial domination of one nation over another.
10. **Local administration** : is concerned with the activities of local bodies.

In short, the scope of Public Administration is wide because its activities extend to each and every field. But on the other hand the scope of Public Administration is restricted in the capitalist states.

1.1.5 Public Administration As Science and Art

Like all other social sciences such as History, Politics, Economics, Sociology, Ethics etc., whether Public Administration is a Science or not is a controversial topic. There are some who advance their argument in favour of Public Administration as a Science; where as other school of thought does not consider it as a Science like Physics, Chemistry, Biology etc.

1.1.5.1 Public Administration As a Science : The term science literally means the systematic knowledge. Exactness and predictability are considered the two chief characteristics of Science. However, Public Administration does not have its laboratory within the four walls to conduct various experiments, but it has a vast laboratory to make administrative experiments. Prediction of experiments can also be made. Only the good laws are put into operation; where as the laws having drawbacks are either abolished or modified. However its prediction is not as exact as the Physical Sciences. Another argument in favour of Public Administration as Science is the presence of evidence. In the words of Prof. Cohen, 'The man who has

an eye for facts, whether it be about human beings, stones or anything else. And can be verified? Has the essence of all sciences, provided he follows the critical methods of proof and verification.”

1.5.2 Public Administration is not Science : The persons who do not admit Public Administration as a Science give their own argument against Public Administration as Science. Public Administration being a species of human behaviour is not subject to uniformities like physical phenomena. Similarly there are no agreed principles of Public Administration. As compared to Physical Sciences there is very little scope for objective experiment and hence accurate prediction is not possible.

From the above mentioned arguments given in favour and against Public Administration as a Science, we can deduce that like Political Science, History, Sociology, Ethics, Public Administration is a social science and not a pure science.

1.5.3 Public Administration as an Art : Art means skill or expertise in performing a task. Administering an organization towards achievement of its predetermined goals is also an art as it demands not only thorough knowledge of the organizational structure , policies , programmes and behavioural aspects of its employees but also its judicious and skillful as well as expert handling of its employees in order to achieve the desired results. Earlier works such as Kautilya's Arthshastra and recent work of Ordway Tead also term Public Administration as an art. According to Charlesworth, "Administration is an Art because requires fitness, leadership, zeal and lofty convictions." Above views confirm that Public Administration is an art.

1.6 Significance of Public Administration

Public Administration has a vital role in the modern age. It has a very important place not only as an instrument of governance but also an important mechanism for preserving and promoting the culture of the community. The ideals of a State may be high; aspirations and programmes so lofty but it has no significance unless and until they are put into practice. Here comes Public Administration which shoulders the responsibility of putting the ideals of the government into practice. "Thus Administration becomes a vital social process charged with the implementation of the great objectives. It is the part of economic, cultural and social life of the people and thus a permanent force in administering and determining the character and activities of a nation." According to Waldo, Public Administration is, "a part of the cultural complex which is not only acted upon but which also acts. "In reality the administration

of a country reflects the genius of its people and embodies all their qualities and aspirations. It is a process of social change in the prevalent society.

With the rise of concept of welfare states the responsibility of Public Administration has further increased. Before that, the functions of the state were mostly of a regulatory nature i.e. maintenance of law & order and providing security, Public Administration was not so important in the life of an individual. But now when the State is taking part in industrial, economic, commercial and social fields, Public Administration does not remain only a protector of its citizens from internal and external dangers but it has become our protector, educator, friend and guide. Our progress and welfare depends on the success of administration. If Public Administration fails, whole of structure of civilized society will crumble down. In the words of Prof. W.V. Donham, "if our civilization fails, it will be mainly because of a breakdown of administration.

In the case of an individual too, he depends on Public Administration in every walk of life. In modern state the government starts taking care of a man even before his birth. it provides pre-natal care to the expectant mother, immediately after the birth of the child his birth is registered. Both child and mother are provided hospital and medical facilities. After some time when the infant grows and become a child, the state undertakes his schooling. After the completion of his study, it is again the job of government and works in private enterprise he is served by the state through minimum wages acts, labour law etc. Not only this, he is provided all facilities in the day to day life and administration is responsible for the protection of his life and property and providing social necessities like electricity, health services etc. The technical and scientific knowhow has further increased the importance of administration in the life of his people. The coming up of large scale industries, increase in population, concentration of economic power in the hands of few has vitalized the importance of Public Administration to great extent. Thus, Public Administration has a great role to play in all walks of life of individual and society.

Assess Yourself III

- i) Is Public Administration a science. State Yes/No with two reasons justifying your answer.

ii) Describe the significance of Public Administration in five lines.

1.1.7 Conclusion

Public Administration has become so very important that it can not be ignored by citizens and the government. That is the reason that it has become a live discipline and the need to impart a basic knowledge of Public Administration is felt at all levels. This on, one hand, develop the civic consciousness among the youth of the country and on the other hand, it would facilitate the administration to see their actual participation in the accomplishment of social and economic development of the country.” Therefore, it can be said that in modern age, Public Administration has to play a great role not only as a skill or activity but as a discipline too, in the uplift and development of modern society. Discussing Public Administration as a discipline this lesson has explained meaning along with various definitions. The lesson has described its nature, scope and significance thus highlighting its importance in modern times.

1.1.8 Key Words

Administration : Derived from two Latin Words ‘ad ‘ and ‘ ministaire’, it means to serve.

Public : Means all the people of any particular state.

Public Administration : Involve all the activities of the executive branch of the government as well as legislature and judicial activities of administrative nature.

Executive : Out of three branches of government, the two other being legislative and judiciary, executive is mainly responsible for implementation of the policies framed by the legislative.

1.9 References

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1.10. Answer to Assess Yourself Exercises

Assess Yourself I

- 1) L. D. White gave this definition. He tried to highlight the broader view of the Public Administration which includes all the activities of the government not only executive but legislative and judicial branch also.
- 2) The term Public Administration is made up of two words -Public which means all the the people of any particular state as a whole and administration, a Latin word, means managing the affairs. So Public Administration means managing the affairs of the people collectively and not individually. In other words, it is the whole government in action.

Assess Yourself II

- 1) Managerial View is given by Luther Gullick, Urwick, Simon, Willough by etc. Integral View is given by L. D. White, Pfiffner, Waldo, Dimock etc.
- 2) Your answer should include the following points:
 - The two views differ from each other with regard to extent of activities.
 - Managerial concerns itself with only executive functions of the government whereas integral view includes functions of administrative nature of all the three branches of the government.

Assess Yourself III

- 1) Theory and Principles of Public Administration may provide an outlook of science but other features like exactness, predictability, certainty, universality etc. are not found in Public Administration. The major is that it deals with human beings and not mere facts or formulas. The thinking and actions of human beings are dynamic thus it can be termed as a social science and not pure science like physics, mathematics etc.
- 2) It provides stability to the society. It protects it from internal disturbances as well as external aggression. It is the great instrument of social change and improvement . It provides leadership to the nation thus managing the affairs and protecting from any chaotic situation. In a welfare state it is a principal agency to look after its citizens right from cradle to grave.

Updated On September, 2023 by Dr. Ravneet Kaur

**COMPARISON OF PUBLIC ADMINISTRATION WITH
PRIVATE ADMINISTRATION**

Structure

- 1.2.0 Objectives
- 1.2.1 Introduction
- 1.2.2 Meaning of Public and Private Administration
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 - 1.2.2.2 Meaning of Private Administration
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 - 1.2.3.1 Similarities
 - 1.2.3.2 Dissimilarities

In Text Questions

- 1.2.4 Conclusion
- 1.2.5 Key words
- 1.2.6 References
- 1.2.7 Answers to Check your Progress exercises

1.2.0 Objectives

After reading this lesson, you should be able to;

- Define the meaning of Private Administration;
- Differentiate between Public and Private Administration
- Compare the extent of difference between Public and Private Administration

1.2.1 Introduction

This is the second lesson of the first unit of paper I on Public Administration. In this lesson an attempt has been made to further clarify the meaning of Public Administration along with the meaning of Private Administration. It also aims at explaining its similarities as well as dissimilarities with Private Administration.

1.2.2 Meaning of Public and Private Administration

1.2.2.1 Meaning of Public Administration

Public Administration is concerned with the management of those affairs which are of general concern. These are not the matters of concern to one individual or a group of individuals only but to one and all. Thus running railways, delivery of mail, maintenance of law and order, collection of taxes, defence for the country etc. are public affairs. Execution of laws in the country, collection and expenditure of taxes by the government, protection of citizens against death and disease, imparting education to children etc. are important public affairs. So, Public Administration is study of the affairs of the state. The word 'State' includes all political institutions at different levels i.e. central, state, local like municipal committee/corporation, panchyati raj bodies etc. It is to perform all the administrative activities of the government. Though there is wider view too which includes the study of legislative and judicial activities within the study of Public Administration yet generally the term normally it restricts itself to the performance of the civilian functions assigned to the executive branch of the Government.

1.2.2.2 Meaning of Private Administration

Private Administration is the study of the management of activities which are not Public in nature. Thus it is opposite to the term Public Administration. Thus the management of Birla and Tata Industries, manufacturing of drugs by Sarabhai Chemical or Pfizer Limited, sale of goods by a shopkeeper, playing taxis on hire, repair of automobiles by a firm are private activities, and their administration is private administration. Private Administration, though has got some public importance, yet cannot be equated with the Public Administration, Private administration is the management of non-government activities. Such activities may be commercial or welfare activities. Thus, the administration of the charitable hospital or 'dharamshala' will not strictly fall under Public Administration. Private Administration is carried by a private individual or body of individuals as distinguished from public servant or civil service.

The two terms 'Public Administration' and 'Private Administration' must have by now become clear to you. We now proceed to the relationship between the two.

1.2.3 Comparison between Public and Private Administration

There are two views on the question of relationship between Public and Private Administration. One point of the view holds that there is not so

marked difference between Public and Private Administration. The view is held by Urwick, M. P. Follet, Henry Fayol. According to them, "Public and Private Administration are carried according to same principles. The methods of organizations' and techniques of accounting, office procedure, purchase and stocking are common to both types of administration. For example, work is divided into different units under the supervision of different officers, General Manager etc. An engineer does the same kind of work whether employed in P. W.D. or some private construction firm. Henry Fayol writes, "The meaning which I have given to the word 'Administration' which has generally been adopted broadens considerably the field of administration science. It embraces not only public service, but also enterprise of every size and description, form and purpose. All undertakings require planning, organization, command, co-ordination and control and in order to function properly all must observe the same general principals. We are no longer confronted with several administrative sciences, but with one which can be applied equally well to public and private affairs." Thus according to Fayol, all administration public and non-public or private are marked by the same features and hence do not differ from each other in any material points. Urwick writes : It is difficult to contemplate seriously a biochemistry of bankers, a physiology of professors, or psychopathology of politicians. The attempts to subdivide the management or administration in accordance with purpose of particular form of undertaking seems to many authorities equally misdirected."

Thus according to these writers, there is not much difference between the principles of Public Administration and Private Administration. The following points of similarity between Public Administration and Private Administration may be pointed out.

1.2.3.1 Similarities between Public Administration and Private Administration

(i) Common Skills : The skills required in both Public and Private Administration are of a similar kind. A doctor whether employed in civil hospital or private home has the same skill and does the same kind of work. Similarly, an engineer employed in P.W.D. or a private construction firm makes use of the same skill. A teacher uses the same techniques of teaching employed in a government college or private college. Since the skill required in Public and Private Administration are similar, that is the reason for the employment persons from public services to Private

Administration and vice-versa. Many a time a teacher working in private organization are required to senior administrative services. The officers on retirement from public service are taken into private enterprise.

Illustration I

Through nationalization of banks and insurance industry in seventies, all the employees working in the banks and insurance sector become Public employees after nationalization.

Both Public Administration and Private Administration draw their staff from each other because there is not much difference in the skills required for both the type of administrations.

(ii) Common Management Techniques : As discussed above accounting, filling, reporting, office procedure, statistics etc. follow the same techniques in Public and Private Administration. The emergence of public cooperation which is called “a half way house impart training to candidates drawn from industry, commerce and government on the assumption that managerial techniques are similar in Public and Private Administration . Had the techniques been different, a common training could not have been given.

(iii) Common Organization Principle : Both the Public and Private Administration observe similar principles of organization. Thus the principles of hierarchy, coordination, integration, span of control and unity of command are equally applicable to the Public and Private Administration. The rules of Procedure, maintenance of accounts also follow similar lines. Both employ modern methods to increase efficiency.

1.2.3.2 Dissimilarities between Public and Private Administration

No doubt there are some seemingly similarities between Public and Private Administration yet the two differ in material points from each other. Public Administration is somewhat political, bureaucratic and red - taped while Private Administration is considered non-political and efficient. According to Paul Appleby, there are three aspects which differentiate Public Administration from Private Administration. These are (i) breadth of scope of impact and consideration, (ii) public accountability and (iii) political character. According to him administration is political since it must be responsive to public interest.

The main points of difference between Public and Private Administration are the following:

(i) Legal Basis : The basis of Public Administration is law. The different departments and other administrative units of the government are created under some law, order or regulation. The power and responsibilities of the public employees are laid down. On the other hand, Private Administration does not have a legal basis. An individual or a group of individuals can engage themselves in any pursuits; of course, it must not be prohibited by law. But such individual or group is not under any legal obligation to engage in a particular enterprise.

Further, they are not under any legal obligation to invest their money in a particular manner. While every activity of Public Administration is based on law, every activity of Private Administration has far more freedom than Public Administration.

(ii) Legal Framework : Secondly, Public Administration functions within the framework of the law of the land. The government official can do nothing which is contrary to law. Any such action will be illegal, *ultravires* i.e. beyond jurisdiction. His work must conform to specific laws relating to his own organization, general laws, all the policies and instructions of higher authorities, prevailing customs and general public relation needs. Private Administration is not bound by legal framework to the extent Public Administration is. We daily come across numerous cases in the courts where in the actions of the government are challenged as being beyond jurisdiction or illegal. A public employees has to work strictly in accordance with law, even though it may cause delay or loss.

(iii) Absence of Profit Motive : Public Administration is conducted with the motive of service, while Private Administration has profit motive as its end. The basic aim of Public Administration is service and welfare of the people where as basic aim of Private Administration is to make money. He would like to do such business only which will earn him the maximum profit. If the establishment of a sugar mill brings him more profit than textile mill, then he would prefer the former and not the latter. On the other hand, profit is not main consideration in Public Administration. Some functions are performed by the Government which are not profit making at all. For example, running a college.

(iv) Nature of Functions : Public Administration is more comprehensive in its functions. Its basic consideration is public service which calls for numerous functions, such as police and fire protection, defence of the country, public works, education, recreation, sanitation, social security, agricultural development,

industrial growth and other. The scope of government functions is increasing with the growth of the idea of socialistic state. Private Administration, on the other hand, does not cover such a wide range of activities. Its activities are largely business activities. These are not so vital as defense of the country or maintenance of law and order. Thus the functions of Private Administration are not so wide or vital as the functions of Public Administration and therefore the two differ in regard to the nature of their functions.

(v) Political Direction : Another distinction between Public and Private Administration is that Public Administration is subject to greater political direction than Private Administration. The public employees have to act in accordance with the directives of political executives. They cannot act in their discretion or of their own sweet will. The end purpose of Public Administration is the policies it executes and the functions it performs are determined by the political bosses. The Private Administration, on the other hand, is free from political control save in emergency.

(vi) Service and Cost : In the matter of Public Administration only such amount of money is realized which is necessary for rendering the service. Some times, the service is rendered by even at a loss. For example, the service rendered by the Post and Telegraph Department or the Education Dept. But in Private Administration money realized is more than the cost of service rendered. A Private entrepreneur makes profit. His income exceeds expenditure. A government budget is deficit while the budget of any industry is surplus.

(vii) Uniform Treatment : Public Administration is based on the Principle of uniformity of treatment. It has to follow a consistent policy in its dealings with the people. It cannot show favour or give preferential treatment to an individual or group of individuals. If any cost for the service rendered is to be realized, it will be at equal cost for all the people who are served. It cannot realize more money from one individual and less money from another. Thus a booking clerk will charge the same amount for a ticket from all the passengers. Like wise a stamp clerk in the post office shall realize twenty paise from each individual for a twenty paise stamp. The rates for registration of post or the same for all the people. There can be any preferential treatment for V. I. P. On the other hand, Private Administration can and very often does practice discrimination in selling and service. A shopkeeper selling hosiery goods may give them on credit to a regular customer but may not extend this facility to a casual customer. He may even charge less amount from him than the latter.

Though in some instance prices are fixed, yet there is no bar on a shopkeeper to charge less than the fixed price, of course, he cannot charge more. Thus uniformity of treatment is not essential principle of Private Administration. The Public Administration must accord equal treatment to all without fear or favour.

(viii) Public Responsibility : According to Paul Appleby, "Government Administration differs from all other administrative work by virtue of its public nature, the way in which it is subject to public scrutiny and out-cry." Public Administration is a responsible Administration. It is responsible to the people for its actions because it is the people who pay for public expenditure. As such it has to act in very responsible way. It has to face the criticism of the public, press and political parties. It has to act in accordance with the wishes of the people as expressed through the legislature and applied by the executive. Public officials must work as team of workers. They must be cooperative and not to compete with each other. On the other hand, Private Administration does not have any responsibility towards the public. Though it may not be set that private administration is not at all responsible to the public, yet its responsibility is not of the same nature and same extent as the Public Administration. The main motive of Private Administration is to earn profit and not public service. If Private Administration does not maintain accounts properly or allow furlough leave to its employees, the people cannot ask question from it or the press cannot criticize it. It can show preferential treatment to its relatives, the people have no reason to be critical of it. A shopkeeper may keep his shop closed for several days without public criticism but an office cannot be kept closed except on holidays. If Private Administration owes any responsibility to the public, it is only of an indirect nature.

(ix) Efficiency : It is also said that Private Administration is more efficient than Public Administration. Public employees come late to the office and leave early. They spend most of their time in gossips and canteen. They do not bother about files which are lying on their tables for months. Their services are secured and they get their salaries on the first of every month whether they work or not. A general apathy is found on public employees. It has been seen that any service becomes inefficient after it is taken over by the government. The nationalized banks, transport corporation are not working efficiently. Their service is poor, are not making profits as they were making earlier. On the other hand, Private Administration shows greater efficiency. The businessman puts his heart and soul into his business and works hard to make it more and more

profitable. Private Administration can give different wage, and benefits to its employees as incentive to increase the production and attract staff of superior ability from rival firms. In Public Administration such incentives are lacking. All the employees belonging to one cadre, get the same scale of pay irrespective of whether some are hard working while others are not. They very demand for “a businessman’s government” or a commercialization of the whole machinery of government” shows that private administration is regarded more efficient than Public Administration.

(x) Public Relations : The principle of Public Relations was first developed in Private Administration. A businessman adopts various techniques to win over the customers. Window displaying, attractive advertisements, beautiful designs and colour or labels, free samples, reduction prices, bonus, gifts, etc., are employed in Private Administration to influence the people favourably. In Public Administration the principle of public relation has not been fully applied. The Department of the Public Relations and Publicity is marked by the red tapism and official proceduralism. Even in the business field Public Administration fails to make use of the principles of salesmanship.

(xi) External Financial Control : Public Administration is subject to the principal of external financial control. The executive does not control finance. It is legislature which exercises financial control over the executive. The executive can neither spend nor collect a penny without proper legislative approval. There is separation between finance and administration, such kind of separation is not found in Private Administration. On account of legislative financial control, the executive has to be very careful in financial matters. It has follow the financial rules and procedures strictly. On the other hand, a business is not bound to purchase things through tenders or sell things to the highest bidder. He can purchase and sell his goods, the way he likes.

(xii) Organization : Though the principal of organization is relevant in both Public and Private Administration, yet the principle has greater significance in the field of their former than the latter. Any failure in the organization of the Public Administration may cause serious harm in their country, than the failures in Private Administration. For example, a failure in the flood control organization may be the cause heavy floods in the country and lead to serious loss of life and property. Huxley writes,” The state lives in a glass house, we see what it tries to do, and all its failures. But private

enterprise is sheltered under good opaque bricks and mortar.

(xiii) Monopolistic : There is generally a monopoly of the government in the field of the Public Administration and not allow private parties to compete with it for example no persons or body or persons can establish Post and Telegraph or coin Currency. These are the exclusive fields of Public Administration. But in Private Administration there is no such monopoly. A number of persons or bodies carry similar pursuit or enterprise.

(xiv) Anonymity : In Public Administration, public official bear anonymity. i.e. he does not publicise his name for anything done by him. His identity is not disclosed. Whatever is done by him, it is done in the name of the Government and not in his own name. On the other hand, the private person does a thing on his own behalf and is well known in the business circles. For example Birla and Tata. In many cases even business concerns are named after his own name but in Public Administration, no department or corporation is named after a person .

(xv) Social Prestige : It has also been said an official in Public Administration carries a greater a social prestige than an official in Private Administration. The prestige of a Deputy Commissioner is far greater than that of any manager of an industry though the later even be getting higher pay.

Besides the above important points of difference between Public Administration and Private Administration some more points of difference may also mentioned :

(xvi) There is consciousness of public service in Public Administration while Private Administration is marked by the consciousness of profit motive.

(xvii) Public Administration is bureaucratic, whereas Private Administration is persuasive.

(xviii) Public Administration is characterized by the red-tape, whereas private administration is free from it.

(xix) The surplus profits or savings in Public Administration are used for public welfare whereas, in Private Administration these are appropriated by the industry owner which become a source of exploitation.

(xx) The public employees enjoy greater security of service than employees in Private Administration.

(xxi) There is a strict code of ethics for employees in Public Administration.

There are numerous rules of conduct to bind their public as well as private life. They cannot go on strike or participate in political activities. The employees in Private Administration are free in several respects and not subjected to the same rigorous rule of conduct.

Assess Yourself I

1. Differentiate between Public and Private Administration with the help of definition.

2 Mention any five dissimilarities between Public and Private Administration.

1.2.4 Conclusion

Public Administration means managing the affairs of the people by the executive part of the government. Private Administration means the management of private affairs or of private business enterprises. There is a close relationship between Public Administration and Private Administration as they have common skills, common managerial techniques and common organizational principles.

The difference between the two is of degree than of kind. They are of two species of the same genus. Still they have special values and techniques of their own, which give to each their separate distinctive character.

1.2.5 Key Words

Private : individual or personal.

Private Administration : managing the affairs of a particular individual or a particular group of individuals contrary to all persons in general.

Nationalization : conversion of private ownership into government ownership. To be more clear, it taking of a private activity or business by the government.

1.2.6 References

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1.2.7 Answers to Assess Yourself Exercise**Assess Yourself I**

1. Public Administration is the study of the affairs of the state. It is to perform all the administrative activities of the government and is concerned with permanent executive where the work of the government is done. On the other hand, Private Administration is the study of the management of activities which are non-government or not public in nature. Administration is carried by a private individual or a body of individuals as distinguished Private from public servant.

2. Private Administration differs from Public Administration on various points. First of all, Public Administration has a legal basis whereas private administration does not have a legal basis. Secondly, Public Administration has motive of social service whereas private administration works only for profit motive. Thirdly, Public Administration has to act in accordance with the directives of the political executives whereas private administration is free from political control save in emergency. Fourthly, Public Administration is based on the principle of uniform or equal treatment to all without fear or favour but private administration can and very often practice discriminatory policies in selling and providing service to its customers. Last but not the least, Public Administration is responsible and accountable to the people as it is spending their money. On the other hand Private Administration's responsibility towards public is of indirect nature and of all most of negligible amount.

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**RELATIONSHIP OF PUBLIC ADMINISTRATION WITH
POLITICAL SCIENCE, SOCIOLOGY, ECONOMICS
AND HISTORY**

Structure

- 1.3.0 Objectives
- 1.3.1 Introduction
- 1.3.2 Relationship of Public Administration with Political Science
 - 1.3.2.1 Common Features
 - 1.3.2.2 Points of Distinction
- 1.3.3 Relationship of Sociology with Public Administration
 - 1.3.3.1 Positive Relationship
 - 1.3.3.2 Points of Difference
- 1.3.4 Economics and Public Administration
 - 1.3.4.1 Positive Relationship
 - 1.3.4.2 Points of Difference
- 1.3.5 Relationship of History and Public Administration
 - 1.3.5.1 Positive Points
 - 1.3.5.2 Points of Difference
- 1.3.6 Conclusion
- 1.3.7 Key Words
- 1.3.8 References
- 1.3.9 Answers to Check your Progress exercises.

1.3.0 Objectives

After studying this lesson, you should be able to :

- Relate various Social Sciences with Public Administration
- Differentiate various social Sciences from Public Administration

1.3.1 Introduction

Public Administration as an activity is as old as man himself. In India, the

study of Public Administration is still in its infancy and in most of the universities the subject is still studied as a part of Political Science. However, of late, the subject has started getting an independent status as an academic discipline in a number of universities, including Indian universities. Public Administration is a social science. It deals with one aspect of human behaviour i.e. administrative, just as other social sciences deal with certain other aspects of human activity. But, it cannot study administrative behaviour without drawing upon the contributions made by other social sciences in the study of human behaviour. A student of Public Administration has to therefore, take into account the material of other Social Sciences to arrive at certain conclusion. As man is a common target of various subjects to study, so all these social sciences are closely related to each other. As such, Public Administration is closely related to other social sciences. The relationship of Public Administration with other major social sciences may be studied as under.

1.3.2 Relationship of Public Administration With Political Science

First of all, let us discuss the relationship of Public Administration with Political Science. In fact, they are very closely related to each other, as it is commonly believed that Public Administration originated from Political Science. In many universities it is still considered as one of the specialized branches of Political Science. However, some writers are of the opinion that it is a separate and independent discipline. But nobody denies its right to be a social science and its closeness to Political Science. Among social science Public Administration is most closely related to Political Science.

1.3.2.1 Common Features

Political Science mainly deals with State and Government while Public Administration is the study of Government in action. As the study of government is common to both, so no clear-cut demarcation between two can be attempted. In the early stage of its development, the study of Public Administration was sought to be drawn from Political Science by some writers like Prof. Woodrow Wilson. Recently, the old time theory of dichotomy of Politics and Administration is being replaced by the theory of Prof. John M. Gaus, who said, "a theory of Public Administration means in our time a theory of Political Science too." Government is a continuing process. Its Political executive structure, powers, function and role are analyzed in Political Science whereas the same processes of permanent executive form part of Public Administration. In the continued process of Government both

Political as well as the permanent executive has to work hand in hand. In the process of decision making, which is largely the responsibility of political executive in a democracy, the civil service particularly at the higher level, has a substantial role to play in advising the ministers. Therefore, Public Administration participates in the formulation of public policies, gives technical advice to the ministers, draft bills for the considerations of the legislatures, prepares answers to the questions asked in the Parliament etc. So it can be safely said that Political Science is mainly concerned with the political processes in the Government while Public Administration is particularly concerned with administrative processes of government which has mainly to deal with implementation of policy.

The other common fields of study which establish close links between these subjects are that of Constitutional Law, Local Government, International Relations and Political Thoughts etc. The relationship between constitutional law and administrative law is so close that, it is impossible for a layman to make any distinction between the two. Many a time as in the case of our own constitution and that of administration, the form, nature and the contents of the Constitution has a bearing on the administrative system of the country. The study of Governments is again a common link between these two disciplines. That is why most universities provide a separate specialized paper on local government in the field of Political Science and in the field of Public Administration also. With the growth of U. N. and its specialized agencies a new field of international Politics, International Relations, Diplomacy has come up. This has given fillip to the study of Public Administration in the course of implementation of its policies through a new service known as International Civil service and developing a new field of Public Administration known as International administration.

1.3.2.2 Points of Distinction

Apart from the deep intimacy between both the subjects they have certain points of distinctions and differences also. As Political Science deals with political executive, Public Administration deals with permanent executives. Political Science deals with international institutions, while Public Administration deals with international administration. Political Science is concerned with local government as units of government and Public Administration deals with them as units of administration etc. These differences must not however, bind us to the points of affinity between Political Science and Public Administration. Politics, when it loses sight of what is administratively feasible, degenerates into mere building of castle

in the air, and administration short of its political context becomes an empty nothing.

The above analysis clearly illustrates that the links between both the subjects exist right from local level to international level . Both the disciplines give and take something to each other and hence are complementary . There will be no exaggeration if we say in conclusion that Political Science and Public Administration are two species of the same genius.

1.3.3 Relationship of Sociology with Public Administration

In the present age, Sociology is proving an extremely important and advantageous science not only for India but entire world . Sociology is the science of society and therefore, Comte, a sociologist considers the social sciences to be useless as cannot be broken into parts and studied . In common opinion society is a totality and it should, therefore be studied as whole thus Sociology is the social science according to Comte , but sociologists today do not agree with Comte's theory . Actually, the structure of society is so vast and complex that a general science which studies it in its entirety must be supplemented by social sciences which studies its various parts. It is in this sense that the science of the Public Administration is deeply related to it as it studies the administrative aspect of society.

1.3.3.1 Positive Relationship

Sociology is the study of man's relation to his social environments. Public Administration, therefore, borrows from the sociological study of Groups, Powers, Status, Primary and Secondary relationships of officials etc. These studies help the student of administration to arrive at certain conclusions. Max Weber, a German Sociologist was the first Sociologist, who made a deep and significant sociological contribution to the science of Public Administration by evolving a model of bureaucracy. His famous work on "Essays on Bureaucracy" is still relevant and provides a base to the student of Public Administration for the study of bureaucracy. Similarly, writers like Herbert Simon and his associates have also contributed to the development of a specialized field of Public Administration known by the name Sociology of Administration. According to such writers, all administrative problems are viewed in their environmental setting. The recent study (1974) by G. K. Parsad on 'Bureaucracy in India- a sociological study' has proved the intimacy of these subjects to be very deep.

The Sociology has given Public Administration a new perspective. An

administrator obviously can act more efficiently and effectively if he is provided with the Sociological background of the place, and the people where and whom he is called upon to serve. This knowledge of sociology will surely help him in becoming a more successful administrator.

1.3.3.2 Points of Difference

Public Administration and sociology have certain points of distinctions also. As sociology is mainly concerned with the study of Society, Public Administration is concerned only with administrative process of government, which is a part of society. Sociology is concerned with social institutions whereas Public Administration is concerned only with the administrative institutions. Apart from this, Sociology is concerned with social processes, status, powers, role, social change, social control, social organization and disorganization, primary and secondary groups etc. Public Administration is concerned only with the influence of these factors in the process of government Administration. A knowledge of the way in which groups arise, functions and influence their members can illumine many of the phenomena of administration which remains otherwise incomprehensible. Since such knowledge comes to us from sociology, the importance of this social science to Public Administration is obvious.

The above discussion clearly illustrates as to how both these subjects are involved in the process of giving and taking to each other in the pursuit of sharing knowledge. Hence both are complementary and deeply related to each other.

1.3.4 Economics and Public Administration

Like any other social sciences, Economics developed out of the necessity to explain certain aspects of man's social and industrial environment, Economics too, is a social science, and as such, it is very closely connected with other social sciences that help in the solution of human problems.

1.3.4.1 Positive Relationship

The relationship between Economics and Public Administration is very close as we know that Public Administration has grown out of Political Science, similarly in ancient times Economics too was regarded as a branch of politics known by the name of political Economy. So the first point of their deep intimacy is the fact that both have come out of Political Science.

Economics studies man in relation to wealth while Public Administration studies the executive in action. Most of the problems which the executive

has to face are in the essence economic problems. The modern Public Administration, therefore, has increasingly tried to grapple with highly complicated economic problems in a welfare state. This has also resulted in bringing the two sciences more close to each other, Public Finance, Budgeting, Financial administration and planning are subjects of common interest of both Public Administration and Economics. Since every administrative policy has to be evaluated in terms of its economic consequences the modern administrator must therefore have a comprehension of economic problems. In the wake of industrial revolution and the impact of technological invention on our social life, a new specialized field of Public Administration known by the name of Economic Administration is coming up rapidly. Public enterprises are the unique institutions concerned with economic activities put under the control of Public Administrators. Most of the organizational forms principles, personnel, management practices and office management and methods have wholly and solely been borrowed by Public Administration from Economics and business administration.

More recently, socialism and Planning have brought area of Public Administration closer to that of Economics. What under “free market” is the subject matter of Economics, becomes in a planned economy the subject of Public Administration.

1.3.4.2 Points of Difference

Economics and Public Administration have certain points of difference also. As Economics is concerned only with the economic activities of man, Public Administration has to deal with all the activities included in the purview of administration, Economics deal with wealth, International trade, planning etc. and the decisions in regard to all such matters are taken by administrators. The above description would convince us of the fact the relation between the two however, is not nearly incidental to a particular institutional development alone, but it can be traced to some fundamental principles known in the realm of Public Administration as “ the principle of efficiency” and in the field of Economics as “the principle of economy”

Check Your Progress I

Note : Tick the correct answer in Q. 1 and Q. 2

1. All the social sciences are related to each other because they have
 - i. all similar elements
 - ii. all unsimilar elements
 - iii. some similar and some unsimilar elements

2. Political Science mainly deals with
 - i. social institutions
 - ii. cultural institutions
 - iii. political institutions
 - iv. religious institutions
3. Mention two contributions and two points of distinction of Sociology to and from Public Administration respectively.
4. Describe in five lines the contribution of Economics to Public Administration.

1.3.5 History and Public Administration

History is the study of past events. It is the record of the life of societies of men, of the changes which the societies have undergone, of the ideas which are determined the actions of those societies and of the material conditions which have helped or hindered their development. In short, it is the storehouse of past experiences of mankind. As such, it contributes to all branches of human knowledge and activity. Public Administration therefore is no exception to this rule.

1.3.5.1 Positive Points

History informs Public Administration how administrative problems were solved in the past, its study is an understanding of the present and a guide for the future. Students of Public Administration are giving proper attention to historical and biographical material to understand the evolution of administrative system and trends in the thinking about Public Administration. Books like L.D. White's "The Jacksonians" and "The Jeffersonians" are valuable contributions to the field of administration history of Medieval England "is another remarkable works like Abul Fazal's "Ain-e-Akabr" contain valuable information of Public Administration at that time. In India Kautilya's 'Arthashastra', Prof. Mukerjee's "Local Government in ancient India" J.N.Sarkar's "Mughal Administration in India" and B.N.Puri's "Administration History in India" are classic example of literature on Administrative history. More recently Dr. Avasthi's "Administrative History of India". Dr. Maheshwari's "Indian Administration" and Banerjee's Public Administration in Ancient India" are remarkable latest contributions of the discipline of history to the field of Public Administration.

1.3.5.2 Points of Difference

History and Public Administration differ on the point that history is concerned only with past events while Public Administration is mainly concerned with

the implementation of present policies of the Govt. Secondly, History is concerned with all types of events whereas Public Administration is mainly concerned with the Administration.

1.3.6 Conclusion

To sum up, it may be pointed out that with the advancement of civilization and the adoption of the principles of welfare states and socialism, Public Administration is growing in magnitude. It is gaining an independent status among the discipline of social sciences. As all social sciences like Sociology, Economics, Psychology etc. are studying one or the other aspect of man, so naturally due to this common link to the study of man, they are related to each other in one way or the other. Public Administration thus has relation with all the social sciences.

1.3.7 Key Words

Political Science : It is the study of Politics and Political behavior. As an Academic discipline, its origin is very old. Aristotle calls it 'Queen of social Sciences'. It is mainly the study of nature, distribution and dynamics of power usually at the national or international level but sometimes to very 'micro level'.

Sociology : is a systematic study of society, in particular of social order and social change, social conflict and social problems, It studies institutions such as family, law and the church etc.

Economics : is a social science devoted to studying the production, distribution and consumption of wealth. It studies how, in a given society, choices are made in the allocation of resources to produce goods and services for consumption and the techniques and principles that govern this process.

Psychology : is the systematic study of human and animal behaviour.

History : is the record of the events of human society.

Geography : is the science of the Earth's surface. Its climate and physical conditions and how there factors affect civilization and society.

Ethics : is concerned with the study of human values, conduct and goodness.

Jurisprudence : is study of basis or principles on which legal system is founded.

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1.3.9 Answers to check your progress Exercises**Check your Progress I**

1. All the social sciences are related to each other because they have
 - (c) some similar and some unsimilar elements
2. Political Science mainly deals with
 - (c) Political Institutions
3. Your answer should include :
 - Definition of Sociology and its contribution to Public Administration
 - Max weber's Contribution
 - Herbert Simon's Contribution
 - Difference in definition of both Sociology and Public Administration
 - Scope of both
4. Your answer should include:
 - Definition of Economics and as such its relationship with Public Administration
 - Similarities in the origin of the two.
 - Common functions in the Field of Financial Administration in modern welfare state.
 - Various theories or principles of economics contributing to Public Administration
 - Various common methods and techniques applicable to both.

Check your Progress II

1. Your answer should include:
 - Definition of History and its contribution in understanding Public Administration
 - Contribution of Various books in Particular.
 - You should mention points of difference between History and Public Administration

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NEW PUBLIC ADMINISTRATION & NEW PUBLIC MANAGEMENT

Structure

1.4.0 Objectives

1.4.1 Introduction

1.4.2 Features of New Public Administration

1.4.3 Evaluation

1.4.4 Theoretical Foundations of New Public Management

1.4.5 Change in the Role of State

1.4.6 Practise of NPM

1.4.7 Conclusion

1.4.8 Key Words

1.4.9 Suggested Readings

1.4.10 Answers to Self- Check Exercise

1.4.0 Objectives

After studying this lesson, you shall be able to :

Understand the concept and features of New Public Administration;

Describe the features of New Public Management;

Analyse the change in the role of State.

1.4.1 Introduction

Since the late 1960s scholars laid particular emphasis *on values and ethics in public administration*. It began to be said that efficiency is not the whole of public administration. The centre of all administrative activity is the 'man' – a very complex being, not always necessarily subject to economic laws which are symbolised by 'efficiency'. So public administration must be *value-oriented*. Thus, trend acquired the name "*New Public Administration*."

In 1971 a book "*Toward a New Public Administration-The Minnowbrook Perspective*" edited by *Frank Marini* was published. It was followed by another book carrying forward the same trend published almost simultaneously i.e. in 1971. It was titled "*Public Administration in a time of Turbulence*" edited by *Dwight Waldo*. These books represented the ideas of an academic get together on Public Administration called the *Minnowbrook Conference held in 1968*. This movement was part of the social ferment of that period.

Although Robert T. Golembiewski considered New Public Administration as a temporary or transitional phenomenon, and though that wisdom might be to simply allow its memory to further fade away; it continues to endure as witnessed by the book published in 1980 by one of its leaders H. George Frederickson. About the content of the New Public Administration, Ramesh K. Arora writes : "New Public Administration is concerned with phenomenological approach, conceptually, and with humanistic orientation motivationally. Its major thrust is on enhancing the role of and capacity of the public administrative system to meet the challenges of and to direct, social change To a phenomenologist, an organization cannot exist independently of the image that it forms in the minds of the perceivers (including the client groups). *Thus the separation of value and facts is shunted* .

1.4.2 Features of New Public Administration :

Like 'development administration' the New Public Administration is *goal oriented* as well as "*change oriented* but unlike it, the latter focuses upon the processes of making public administration organization more positivist, and activist primarily in Western societies.

There is no theory on which all proponents of the new Public Administration agree.

They disagree even about central issues and major features. Golembiewski, however, mentions three "antigoals" (what they reject) and five 'goals' (what they want to approach) of the New Public Administration. These are:

- (1) The literature of New Public Administration is “*antipositivist*” which here means (a) they *reject the definition of Public Administration* as ‘value free’;
(b) they reject a rationalist or perhaps determinist *view of humankind*;
(c) they reject any definition of Public Administration that was not properly involved in policy (as was the case with politics / administration dichotomy).
- (2) The new Public Administration is antitechnical-that means they decry that human being be *sacrificed to the logic of the machine* and the system.
- (3) *The New Public Administration* is more or less antibureaucratic and antihierarchical.

According to Golembewski, from a positive perspective there are five goals or features:

- (1) The New Public Administration considers mankind as having the potentiality of becoming perfect. This is in contrast to the view which regards human as more or less static “factor of production.”
- (2) The above view of human nature (emphasis on “becoming” or growing) bring into fore the issue of relevance of institutions. Willbem says that “the new public administration is essentially characterised by a more forthright and honest consideration of the relationship between the structures and processes of administrative effort and their ends and goals, and a more conscious and deliberate selection of those goals on moral grounds. It stresses the central role of personal and organisational values or ethics.
- (3) The proponents of New Public Administration found “Social equity” as the most common vehicle for guiding human development. So the realization of “Social Equity” should be the purpose of public administration should become champions of the under privileged sections of the society. They must become active agents of economic and social change. In the past public administration has neglected the question of values in relation to the social purpose of government and the public officials have emphasized efficiency and economy of execution often at the expense of social equity.

Frederickson thinks that public services vary in their impact on receiving citizens depending on their social, economic and political status. Those having higher social, economic and political status receive higher quality services. The public administration is under moral obligation to counter this tendency. The public officials should drop the facade of neutrality. They should use their discretion in administering social and other programmes to protect and advance the interests of the less privileged groups in society.

(4) The New Public Administration was determinedly relational. It urges a client-centred approach with an emphasis not only on meeting client needs through goods or service, but also on providing them a major voice in how and when and what is to be provided. In the words of Nigro and Nigro, "Client-focussed administration is recommended along with debureaucratization, democratic decision-making and decentralization of administrative process in the interest of more effective and human delivery of public services.

The relational thrust of New Public Administration implies major reorientations of administrative study and practice. It urges attention to the "consequences of administrative action" in term of impact on characters and attitudes of citizens. According to Golembiewski, "it amounts to "standing public administration on its head, in a central if not total issue..... That administration can shape politics in crucial ways, rather than the other way round."

(5) The New Public Administration places a definite emphasis on innovation and change.

However, Fredrickson maintains that the traditional roles of the executive and legislature would not be altered under New Public Administration doctrine.

1.4.3 Evaluation

It is argued that the New Public Administration possesses only a kind of difference by definition, to example, Campbell argues that it 'differs from the 'old' public administration only in that it is responsive to a difference set of societal problems from those of other periods." Robert T. Golembiewski is of the opinion that New Public Administration must be counted a partial success, at best, and perhaps only a cruel reminder of the gap in the field between and performance." He describes it "revolution or radicalism in word; and (at best) status quo in skills or technologies.

But Nigro and Nigro are of the view that the New Public Administration has certainly broken fresh grounds and imparted new substance of the discipline of Public Administration. What is new in it is advocacy of social equity role recommended for the administrator, because "generally it has not been regarded proper for the official to be unnatural and advance the interest of one particular group in society. The critics of the doctrine of New Public Administration fear that in the pursuit of social equity administrator could easily defy the views of the legislature and the majority of the Public. Moreover, view on what social equity means and what it requires in public programmes, vary greatly. The critics of the New Public Administration also maintain that administrators often make new policy as they administer existing programmes, and the new policy they make may not be in conformity with the desires of elected officials and much of the public.

Nevertheless the new direction shown by the New Public Administration cannot be denied. The discussion may be concluded by quoting Nigro and Nigro who says “clearly, advocates of the New Public Administration have stimulated constructive debate, and their emphasis upon the positive, moral goals of admission should have a lasting impact. Since the New Public Administration emerged, question of values and ethics have remained major item in public administration”.

Self Check Exercise –I

1. Mention the features of New Public Administration.

2. Evaluate in 5 to 7 lines the role of New Public Administration

1.4.4 Theoretical Foundations of New Public Management:

A variety of administrative innovations have become an integral part of administrative systems of most of the developed as well as newly industrialized countries.

Hood has codified these administrative reforms as “the New Public Management”.

The underlying doctrines of the NPM are :

1. Hands-on professional management (i.e. free to manage) in the Public sector;
2. Explicit standards and measures of performance;
3. Greater emphasis on output controls rather than on procedures;
4. Shift of disaggregation of units in the public sector (i.e. breaking up of formerly monolithic units and creating manageable units);
5. Shift to greater competition in public sector;
6. Stress on private sector styles of management practice; and
7. Stress on greater discipline and parsimony in resource use.

Other incarnations of these administrative reforms include managerialism; market based public administration; the postbureaucratic paradigm; entrepreneurial government.

The ten principles for reinventing government (given by David Osborne and Ted Gaebler, in *Reinvesting, Government*):

are as under:

1. Catalytic government :steering rather than rowing.
2. Community-owned government : empowering rather than serving.
3. Competitive government : injecting competition into service delivery.
4. Mission-driven government : transforming rule-driven organizations.
5. Results-oriented government : funding outcomes, not inputs.
6. Customer-driven government : meeting the needs of the customer, not the bureaucracy.
7. Enterprising government : earning rather than spending.
8. Anticipatory government : preventive rather than cure.
9. Decentralised government : from hierarchy of participation and teamwork.
10. Market-oriented government : leveraging change through the market.

The theoretical foundation for the NPM principles are provided by several interrelated strands of literature mainly contributed by the New Right School of Thought , which defined the new role of state, which is as under:

- I. Public Choice School led by Black; Buchanan, Tullock and Niskanen;
- II. The Chiacago School led by Friedman;
- III. The Austrian School led by Hayek; and
- IV. The Supply Side Economics School led by Laffer, Gilder ,
and
- V. Business types managerialism documented in organization and
management literature.

According to The New Right School of thought against left School in U.S.A. :

State involvement leads to:

- Increasing monopoly.
- Increasing budget and suppressing of entrepreneurial behaviour i.e.
- innovative, initiative behaviour.

- Limiting choice.
- Over production of unwanted services and
- Encouragement to waste and Inefficiency.

1.4.5 Change in the Role of State

NPM has led to reduction in the role of the State as a regulator and producer. Therefore, deregulation and privatization are amongst six-point reform agenda of the New Right. The other measures are the reduction of inflation, lower taxation, increasing role of market forces in the provision of public services and institutional and constitutional reforms. The aim of these reforms is to promote competition between rival bureaucracies, reduce the influence of interest groups and corporatist institutions and impose a constitutional upper limit on public expenditure as a proportion of the gross national product.

1.4.6 Practice of NPM

On the basis of their nature and aims, the variants of administrative reforms can be divided into five broad categories, namely :

- (i) Reforms aiming reorganization and downsizing of the government;
- (ii) Reforms aiming setting up of performance based organizations;
- (iii) Reforms aiming to create Senior Civil Services (SCSs);
- (iv) Reforms emphasizing adoption of private sector styles of management practices; and
- (v) Reforms aiming promotion of customer orientation of administration.

For Ex in USA:

For 2 years no salary to oversize employees, as limit is put to discipline the govt. fiscal i.e. should not exceed limit. In case of EU-3% of every country.

2. Korea-Reduced the posts of Deputy Prime Minister.

3. In India, ARC 2nd has recommended that number of Ministers should be reduced. But Bureaucracy doesn't touch itself.

For exam: Ministry of Finance has always expanded. Creating one more branch under the same Ministry leads to multiplication increase in the no. of the posts. Moreover, cultural factors play important role in India unlike U.S.A. –People move to other states where tax is less. So State level competition is absent in India.

Traditional Public Administration aimed at –

Provision of public goods without assigning the priority performance.

In New Organisations there is value for money. If unified – less time with civil services

DOT – Provider & deciding, listening to complaints also

But private sector – is undependable in India, owned by FJ's or Mutual Funds, Public

Sector and also lacks discipline.

Self Check Exercise – II

1. Describe the features of New Public Management.

2. Discuss the reasons for change in the role of State.

1.4.7 Conclusion

Above discussion reveals that Public Administration has gone through various phases from classical to new public administration to new public management. The traditional public administration has focussed on maintaining law and order and collection of tax. Focus had always been on strict adherence to the principles giving scant importance to human values. The structure had been priority and fitting people in to it had been the practice. But During 1960 and 1970 decade, a new wave emerged and various pieces of literature came with the aim of changing the phase of public administration. New Public Administration aimed at making public administration client oriented with emphasis on social equity, debureaucratization, value – oriented, pro-active administrator but miserably failed in its mission. With the failure of NPA wave, another phase came up with curtailing the role of government in delivery of services to the public. Christopher Hood initiated New Public Management and brought a piece of literature with emphasis on privatization and liberalization is more focussed on cutting down the role of government. Its success lies in acceptability by the citizens and efficient delivery of services by the private sector. In India, present regime is making attempts in almost all sectors whether labour, industry, education, health, agriculture etc. to enhance the role of private sector and minimizing the role of government. Only time will tell the success of this experiment as the features of NPM can't be implemented in totality in all kinds of nations i.e. the needs and demography of

developing and developed nations is entirely different. Thus, application of philosophy of NPM needs high and deep planning to draw true results.

1.4.8 Key Words

NPM – New Public Management means greater competition, output and profit oriented with private sector style of management and practises

NPA – New Public Administration means client oriented, social equity based implementation of administrative policies, anti-bureaucratic and more value based decisions

1.4.9 SUGGESTED READINGS:

Ram Narayan Prasad , “New Public Management in India Problems and Perspectives”, Published by Indian Institute of Public Administration. Aizawl Local Branch, Mizoram University. Department of Public Administration, New Public Administration Society of India, Warangal, 2008.

Sweta Mishra, Alka Dhameja, “Public Administration : Approaches and Applications”, Published by [Pearson Education India](#), 2016

Kenneth Kernaghan, Sandford F. Borins, D. Brian Marson, “The New Public Organization”, Published by Institute of Public Administration of Canada , 2000.

1.4.10 Answers to Self Check Exercises:

Exercise I

1. Study 1.4.2 of the lesson carefully and answer the question.
2. 1.4.3 should be carefully studied and understood for writing the answer.
- 3.

Exercise II

1. For answer, kindly refer to 1.4.4 of this lesson.
2. For answer, kindly refer to 1.4.5 of this lesson.

Suggested Long answer questions:

1. Describe the reasons for the rise of New Public Administration phase.
2. Discuss the features of NPA.
3. Discuss the role of New Public Management.
4. Describe the important features of NPM.
5. Analyse the limitations of NPA.
6. Analyse the positive and negative points of NPM.

Last updated September, 2023 by Dr. Ravneet Kaur

Organisation - Meaning and Bases

Structure

1.5.0 Introduction

1.5.1 Objectives

1.5.2 Meanings

1.5.3 Types

1.5.4 Bases

1.5.5 Conclusion

1.5.6 Suggested Readings

1.5.7 Answers to Check your Progress Exercise

1.5.0 Introduction

Organisation is a prerequisite to achieve the goals in a group. Every human being has certain demands which he is not able to fulfil on his own, thus, requires active association with other human beings. Whenever two or more people join together to achieve certain common goals, they form an organisation. Organisation is not a new concept. Ever since the dawn of civilization, organisations are being formed by the people in order to combine their efforts for the accomplishment of their common objectives. Organisation is an association of persons for achieving certain objectives. Organisation helps in studying the individual goals as well as collective goals.

1.5.1 Objectives

After studying this lesson, you shall be able to :

- * understand the meaning of organisation,
- * know various bases of organisation,
- * analyse various approaches.

1.5.2 Meaning

Organisation is a social system wherein its members try to achieve their private goals while achieving the organisational goals. Any contradiction

regarding goals is resolved by effective organisational behaviour. Organisation is a foundation upon which the management is built and developed.¹

According to Mooney and Reiley, "Organisation is defined as the form of human association for attaining common objectives."²

According to Max Weber, "Organisation is defined as a corporate group. A corporate group is a social relation which is either closed or limits the admission of outsiders by rules.... its order is enforced by the actions of specific individuals whose regular function this is."

According to George Terry, "Organisation is the establishment of effective authority relationships among selected work, persons and work places in order for the group to work together efficiently."

According to Koontz and O'Donnel, "The establishment of authority relationships with provision for co-ordination between them, both vertically and horizontally in the enterprise structure, is the essence of organisation."³

According to Louis A. Allen, "Organization can be defined as the process of identifying and grouping the work to be performed, defining and delegating responsibility and authority & establishing relationships for the purpose of enabling people to work most effectively together in accomplishing objectives."

According to Talcott Parsons, "Organisation is defined as a social unit which is deliberately constructed and reconstructed to seek specific goals."

According to Chaster I. Barnard, "Organisation is a system of consciously coordinated activities of two or more persons. He explains four characteristics of organisation i.e. communication, cooperative efforts, common objectives and rules & regulations."

According to Oliver Sheldon, "Organisation is the process so combining the work which individuals or groups have to perform with the facilities necessary for its execution, that the duties so performed provide the best channels for the efficient, systematic, positive and coordinated application of the available effort."

Organisation is a composition of people having different authorities and responsibilities to utilise the existing resources for achieving organisational objectives."³

Thus, the term 'organisation' means the act of putting things in order. It may be defined as - designing of structure, designing as well as building of

1. *Organisational Behaviour and Corporate Development*, By M.N. Mishra, 2003, Himalya Publishing House.

2. James D. Mooney and Alan C. Reiley, *The Principle of Organisation*, Harper & Brothers, New York.

3. M.N. Mishra, *Organisational Behaviour and Corporate Development*.

administrative structures and denoting the administrative structure we get as an end product of these activities.

According to W.R. Scott, "Organisations are defined as collectivities that have been established for the pursuit of relatively specific objectives on a more or less continuous basis. Organisations have more or less fixed boundaries, a normative order, authority rank, a communication system and an incentive system which enables various types of participants to work together in the pursuit of common goals."

Whenever two or more people get together to form a group in order to accomplish common tasks which are important to be achieved for all the members of the group but if they pursue them individually, they fail to do so, thus they form a group. Organisation is just not any group of people but deliberately chosen members and trying to achieve certain goals which are common to all of them and the work is done in a well planned and co-ordinated method.

Features of Organisation :

On the basis of above discussed various definitions, we can evolve a list of features which are more or less found in every organisation.

1. Structure :- Designing or planning a structure is the foremost task while creating an organisation. Newman has also opined that organisation structure is like the architectural plan of a building. Just as architect considers various factors like : cost, space, special structure needed etc. while designing a good structure, the manager must look into various factors like : benefits of specialization, communication problems, limitations of various authority levels created etc. before designing the organisation structure. Well planned structure should be dynamic in nature and not static. It should help in describing the individuals, their inter-relationships, authority and responsibility pattern alongwith accountability. This enables the management to perform the functions smoothly and in a well co-ordinated manner. Not only the individuals within the organisation be linked but also the other levels be inter-linked so as to perform the tasks in effective, efficient and economic manner leading successfully towards the achievement of the goals.

Division of work :- It's equally important for any organisation so as to work successfully that it should divide its work properly amongst the members according to their interest, knowledge, capability and ability. Furthermore, co-ordination and integration of these functions is equally essential so as to

preserve unity of direction. Unity of direction ensures that all the efforts made are directed towards one direction i.e. towards achievement of already planned and formulated goals.

Organisation is a process of division of labour and function, co-ordination through authority and responsibility and putting people at place to work.¹

Common Objectives :- Any organisation is a human association having certain common objectives to be achieved through well co-ordinated efforts. Objectives should be clearly defined, understood by all the members.

Process :- Organisation is not only a well planned structure but also involves the process of organising the activities or putting the things together so as to accomplish the task in a desired manner. The POCCC i.e. planning, organising, commanding, co-ordinating and controlling as given by Henry Fayol or POSDCORB i.e. planning, organising, staffing, directing, co-ordinating, reporting and budgeting are the functions or the activities generally to be performed by the management of any organisation. The term 'POSDCORB' is coined by Luther Gullick and the Lyndall Urwick.

Relationship :- Members of the organisation are deliberately chosen. Formally, they all are related to each other on the basis of their hierarchy and informally they are related to each other on the basis of their personal status, pressures, prestige and power in the society. Thus their informal relations play an important role and to a large extent, influence the formal functioning of the organisation. Their ought to be cordial and harmonious relations between superiors and subordinates in the organisation vertically and horizontally between the same status employees or officers. Not only within the organisation but also with other such similar organisations, maintaining close liaison is important for sustaining in the system. Co-operation and co-ordination both are required in integrating and harmonising various activities because functions in the organisation are inter-related, it helps in maintaining continuously and avoiding duplication, delays etc.

Relationships between authority and responsibility :- In any organisation, its management can perform in the best possible manner if it is based on the principle of hierarchy clearly defining authority and responsibility of each staff member. Superiors having authority to decide and get the decisions implemented must be held responsible if anything goes wrong. Similarly, anybody having a responsibility to perform certain job or task must be given adequate authority with clearly defined powers, functions so as to enable him to perform better. The modern organisations tend to develop mutual and harmonious relationships between superordinates and subordinates as well as with the superiors. Thus, there is increasing use of delegation of authority

by the superiors to the subordinates. Moreover, organisations can't work with a highly centralized or decentralized setup. There has to be a balance struck between the functions or the tasks which ought to be concentrated only at the top and rest of the functions being general in nature, the power to decide should be delegated to the middle or the lower levels.

Well established communication network is equally essential for any organisation only then it can perform its functions effectively, efficiently and economically. There should be horizontal and vertical both two communication channels so that not only superiors convey their decisions, orders, instructions to the subordinates but also provide the subordinates with ample opportunity to express their views, opinions, problems, seek guidance etc. Horizontal communication between the managers or the staff members working at the same level or status should also be established and encouraged in order to exchange views, opinion etc. of the colleagues.

Achievement of Goals or Evaluation of Performance is another important feature of the Organisation :- Performance can be evaluated in terms of output i.e. cost incurred on all activities and total production of goods or services provided with the input in terms of all types of expenditure and labour. Performance of the organisation to a large extent depends on the human resource available i.e. skilled and professional labour and staff. Human resource can be developed through better job opportunities, job security, raising the satisfaction level of the workers by paying them adequately along with other welfare benefits thus raising their morale and motivating them to perform in the best possible manner. This will raise the achievement level of the organisation and also the satisfaction level of the individual as a member of the organisation.

Not only individual performance ought to be better but group performance is equally important. Team spirit or (Espiritde Corps) should be inculcated among the members of the organisation so as to bring about maximum co-operation and co-ordination among them. Concept of family or belongingness is being mooted these days. This encourages them to perform better.

Exercise No. I

Q-1. Write any two definitions of Organisation.

Ans.

Q2. Mention any four features of the organisation.

Ans.

1.5.3 Types of Organisation

Choice of the type of organisation depends upon the objectives to be achieved, the functions it is expected to perform and its political, social, cultural and environmental settings. In public administration more commonly used types of organisation are line, staff, line and staff, committees, commissions, boards etc.

(i) Line Agencies :- In a line agency, chain of command flows from top towards bottom among the hierarchy of the officials. The term 'line' has been borrowed from the military organisations in which it referred to 'command'.

Line agents come into direct contact with the people, frame policies, take

decisions and get these implemented also. Line agencies are executive agencies. These agencies possess sufficient authority or command and thus give orders and directions, down the line. These agencies are end in themselves as they are created and continue to exist for the accomplishment of some major purpose. Some examples are - Departments of the government, Public corporations, independent regulatory commissions, etc.

(ii) Staff Agencies :- This term has also been taken from the military organisation. Literally, staff means a stick which is carried for support. In public administration, it refers to such activities in an organisation which assist the chief executive by giving technical and specialized advice. Staff agencies are mainly advisory bodies concerned with plan formulation and co-ordination. Their function is only of consultative nature and advisory in character as they do not possess any authority to give orders.

Examples of Staff Agency are Planning Commission of India, Union Public Service Commission, Cabinet Secretariat, etc.

In the words of Alvin Brown, "there are two modes in most of the organisations-line which executes and staff which plans & renders many other incidental services."

(iii) Functional Organisation - is the one where functions itself becomes a supervisor and employees automatically perform their respective functions. This type is more used in business where there are specialized and technical jobs or tasks to be performed. It enables bringing to fore the specialization, coordination, skill development, flexibility among the employees of the organisation.

(iv) Project Organisation :- is used where some specific project or task is to be completed. It brings experts in various fields together under one manager who has general outlook thus controlling all the technical employees under him.

(v) Committee Organisation :- It is more like a staff organisation. It's nature is advisory or providing consultation. This form is most often highly used in the public administration. Any matter which demand detailed inquiry, feedback etc. and is to be analysed critically fact by fact, then a committee of few experts headed by a chairman is formed and given some time period to submit its report after thorough investigation. This method is used either to bring about some administrative reforms or to redress some grievances of the citizens.

There are numerous examples such as Public Accounts Committee, Estimates Committee, Committee on public undertakings, which are of permanent

nature. Balwant Rai Mehta Committee was created for a specified time period to suggest reforms and bring about improvement in the local government structure.

Forms of Organisation - are formal and informal organisation.

Formal Organisation is the one which is deliberately created with the application of various principles like hierarchy, unity of command, span of control, power, authority, responsibility, functions, status, communication pattern etc. are clearly, precisely defined.

In any formal organisation, there exists an informal organisation. People as members of the organisation, do not remain confined to their formal, official goals and objectives and relations but they tend to develop personal likings or dislikings about their colleagues. This leads to development of their social relationships amongst their colleagues. Elton Mayo was the first thinker to point out the importance of informal, social relations and stressed that these must be understood and properly nurtured in any organisation so as to get the best performance from the workers and have minimum conflicts between employer and employees working in any organisation.

1.5.4 Bases for Creating the Organisation

An organisation can be created according to the functions it has to perform; or the clients or customers it has to serve; or on the base of process being specialized and technical in nature and single unit serving the whole of the organisation; or on the geographical basis like a headquarters at one place and having its numerous branches spread all over the area.

(i) Functions or Objectives :- The most popularly used method of creating an organisation is naming it after the functions or the objectives it aims to achieve. It can be an economic, political or social organisation, etc.

(ii) On the basis of customers or clients it tends to serve :- It means naming the organisation after that particular class, category of people who it specifically wants to serve by making policies, implementing various programmes, projects etc. For example, Department for the Welfare of Women or Department for the Welfare of SC's and ST's, etc.

(iii) Process as a base for creating an organisation means any common technical process like legal cell, medical centre, etc. These are specialized tasks and serve whole of the organisation. Thus by its very name, legal cell reflects the nature of its job.

(iv) Geographical Basis :- These days it is widely used as population

is increasing and means of communication and transport have lessened the travel time span. This method of creating an organisation enables an institution to have its headquarter at one place and spread its branches all over the area thus coming nearer to the people and providing them the services almost at their doorstep. Banks are good example of such type of organisation.

Exercise No. II

Q-1. What do you mean by line agency?

Ans.

Q-2. Write any two bases for creating an organisation.

Ans.

1.5.5 Conclusion

Modern organisations are facing numerous problems. These problems can be solved only if the management adopts the flexible approach, places

emphasis on humanistic values; by increasing the level of trust and emotional support among all organisational members; by increasing the communication level in all directions vertically, horizontally and laterally. All these require organisational change and development. Research is being conducted and many new techniques devices and practices are being evolved but these are criticised on the grounds - that they are not feasible practically, motivation level of the personnel to adopt to these is very low. These changes are quite costly and not possible for all the organisations to introduce these. Workers or staff always generally show resistance to such changes.

Thus attitudinal change among the management leading to increase in morale and motivation level of the staff members, humanistic approach and leadership qualities, better communication facilities, effective control system etc. should be present so as to enable the organisation to achieve its goals in the most effective, efficient & economical manner by satisfying the needs of majority of its staff members as far as possible.

1.5.6 Suggested Readings

- | | | |
|--------------------------|---|--|
| L.M. Prasad | : | Organisational Behaviour |
| M.N. Mishra | : | Organisational Behaviour and Corporate Development |
| V.S. Rao & P.S. Narayana | : | Principles and Practice of Management |
| Wehrich & Koontz | : | Management |

Self-Check Exercise

- Q-1. Describe the features of organisation.
- Q-2. Write any four definitions of Organisation.
- Q-3. Explain neo-classical approach to the organisation.

1.5.7 Answers to Self-Check Exercise

- Q-1. Read the relevant portion of the text and memorize it, then write the answer.
- Q-2. Various definitions have been given. Learn, understand all of these though from examination point of view. Knowledge of four or five such definitions is sufficient.
- Q-3. Read, memorize the text carefully and answer the question. Do not copy it from the text.

FORMAL AND INFORMAL ORGANISATION

STRUCTURE

1.6.0 Objectives

1.6.1 Introduction

1.6.2 Meaning

1.6.3 Formal and Informal Organisation

1.6.3.1 Formal Organisation

1.6.3.1.1 Features

1.6.3.1.2 Importance

1.6.3.2 Informal Organisation

1.6.3.2.1 Features

1.6.3.2.2 Importance

1.6.4 Comparison of Formal and Informal Organisation

1.6.5 Conclusion

1.6.6 Key Words

1.6.7 Suggested Readings

1.6.8 Answers to check your progress exercise

1.6.0 OBJECTIVES

After studying this lesson, you shall be able to :-

- * define the meaning of organisation, formal as well as informal organisation.
- * analyse and explain the features and significance of formal and in-formal organisation
- * Compare formal organisation with informal organisation.

1.6.1 Introduction :

In modern age, one or the other kind of organisation is found in administration.

Organisation is a tool of administration by which it is able to attain its objectives. In order to achieve its desired objectives, it is the responsibility of the administration to organise manual and physical resources.

Organisation is the basic unit of administration and that is why it is impossible to imagine administration without organisation. It is, thus clear that organisation is the back bone of management. The success of an enterprise depends on a sound organisational structure as well as the human beings who man and run it. Peter Drucker has rightly remarked that "the right organisational structure is the necessary foundation without it, the best performance in all other areas of management will be ineffectual and frustrated." In this connection, P.R. Dhubashi observed, "organisation building is extremely important in the field of Public Administration. No administrative performance is possible without a suitable organisation. Building an organisation is, therefore, the starting point of any administrative performance."

Once the famous industrialist of U.S.A. Mr. A. Carnaige remarked, "Take away our factories, take our trade, our avenues of transportation and our money. Leave nothing but our organisation and in four years we shall have re-organisation and in four years we shall have re-established ourselves."

1.6.2 Meaning

In common parlance, organisation means any kind of administrative structure. However, the term connotes different meanings to different scholars.

The concise Oxford Dictionary defines the word 'to organise' as to frame and put into working order. The term organisation leads itself three different meanings viz.

- (i) Designing administrative structure.
- (ii) Designing as well as building up of structure.
- (iii) Administrative structure we get as an end product of these activities.

The scholars on organisation have defined the term organisation differently. In simple words organisation refers to a plan of action to ensure fulfillment of purpose or purposes, which the individuals or groups have set for realisation, and towards the attainment of which, they collectively lend their energies.

1. According to Simon, "By organisation we mean a planned system of cooperative effort in which participant has a recognised role to play and duties to perform."

2. In the words of Dimock and Dimock, "Organisation is the systematic bringing together of inter-dependent parts to form a unified whole through

which authority, coordination and control may be exercised to achieve a given purpose organisation both structure and human relation.

3. J.D. Mooney observes that, "organisation seems to be the forum of every human association for the attainment of common purposes."

4. L. D. White has viewed organisation as an, "arrangement of personnel for facilitating the accomplishment of some agreed purposes through allocation of functions and responsibilities.

5. Chester I. Barnard defines organisation, "as a system of cooperative human activities. In other words organisation is an identifiable group of people contributing their efforts towards the attainment of goals. "An organisation comes into existence when there are a number of persons in communication and relationship to each other and are willing to contribute towards a common endeavour."

6. However, E.N. Gladden viewed it as an, "organisation concerned with the pattern of relationships between the persons in an enterprise, so constructed as to fulfill the entrepreneur's function."

7. In the words of Herbert G. Hicks the organisation includes five elements, which are common to all organisations.

- (i) An organisation always include persons;
- (ii) The persons are involved with one another in some way that is to say they are interacting with one another.
- (iii) The interactions can always be ordered or described by some sort of structure.
- (iv) Each person has personal objectives, some of which are the reasons for his actions. He expects that participation in the organisation will help to achieve his objectives.
- (v) These interactions can also help to achieve compatible joint objectives perhaps different in form but are related to their personal objectives.

1.6.3. Formal and Informal Organisation :-

In the modern age, all the functions of every society are performed by political organisation, trade organisation etc. However, in every organisation there exists two forms formal and informal. Formal Organisation is based on mechanical approach where as informal organisation is based on humanistic approach.

1.6.3.1 Formal Organisation :-

Formal organisation is set up deliberately to achieve set objectives. In other

words formal organisation is based on certain specific written principles like division of labour, hierarchy, span of control etc. Chester I. Barnard defines formal organisation as, "a system of consciously co-ordinated activities or forces of two or more persons."

1.6.3.1.1 Features of Formal Organisation :-

No doubt the features of all formal organisation are not similar, However, the common features prevalent in all formal organisations are stated below :

1. In formal organisations, the relationship of all employees are clearly defined, "it is to be noted here that these relations are shown on the organisational chart. It also shows the authority and responsibility" relationship between authority and employees. All functions are performed through proper channel. In other words, all files move from bottom to top and from top to bottom. In this process no level of organisation can be by passed.
2. Secondly, formal organisation is permanent. In fact organisation is created to last long. During the course of their life they may experience changes for successful functioning of an organisation. So provision is made in it to bring suitable changes.
3. Another important feature of the formal organisation is its organisational growth. To meet the growing needs of the people, the formal organisation is in a better position to use the specialised techniques.
4. In formal organisations the employees are rewarded for their excellent work and conduct. The incentive of reward motivate other employees to work more for the development of their organisation.
5. Another important characteristic of formal organisation is that it is expected from the employees that they will observe rules of work and conduct. Rules do not permit them to deviate. Behavioural deviations by the employees in an organisation leads them to face disciplinary action.
6. In formal organisation, the status of individuals is determined on the basis of their skills, abilities and experience and not according to their age.
7. In formal organisations, there is a provision of communication by which the information by way of directives travels from top to bottom and by way of reports regarding the answers to questions, grievances of employees and their achievements from bottom to top. In this way the mutual relationships among all employees and different units of an organisation are established.

1.6.3.1.2 Importance of Formal organisation :-

From the above discussion it becomes clear that individuals form organisations to perform the variety of functions which they are unable to do alone. In the

modern age where the functions of states have not only increased but also have become complicated, the formal organisation can only solve them. The formal organisation plays significant role in every institution. The significance of the formal organisation is as follows.

- (i) Formal organisation makes specific provisions for the attainment of its objectives.
- (ii) To meet the wide and varied needs of the individuals, there is a direct need of specialised knowledge which is found only in the formal organisation.
- (iii) The formal organisation proves very useful for the growth of the institution and the further improvement in technical knowledge.
- (iv) Coordination which is very essential for the success of all administrative functions is also found in the formal organisation.
- (v) Since the abilities and capabilities of all employees is not the same, however formal organisation help to unite all these qualities in the institutions. It also help to further improve and enhance the qualifications among all the employees.
- (vi) In formal organisation many people work together which help them to achieve their objectives within the given time.

1.6.3.2 Informal Organisation :-

Informal organisation refers to mutual relations among the employees working in any organisation. They not only work as alien on the same machine but also as friends. Unlike the formal organisation, their relations are based on personal attitudes, emotions, prejudices, likes, dislikes, etc. In fact, mutual relations among the employees are not developed in accordance with the prevailing norms, procedures and rules and regulations as shown in the organisationl chart of formal organisations. According to Avasthi-Maheswari, "The informal organisation is customary, not enacted. It is not written and manualised; it is not portrayed in organisational charts. An informal organisation is the set of work relationship that grow out of the mutual interactions of persons working together over a period of time, it reflects matters, such as social and economic status, race or languages differences, educational levels, personal likes and dislikes etc. "It will not be wrong to say that the working of formal organisation can improve further with the help of informal organisational.

1.6.3.2.1 Features of Informal organisation

The important features of informal organisation are given below :

- (1) The informal organisations are not created as a result of design or

deliberations but evolve naturally whenever men in a formal organisational while working interact with each other over a period of long span. The existence of such an organisation arouses the feeling of cooperation among the employees of formal organisation.

(2) Like various rules and laws of the society, the informal organisation also evolves certain ideals or principals for its members. It is the duty of the member to abide by it. No doubt, these rules lack legal sanction behind them, but the technique of social pressure or boycott help it considerably towards its compliance.

(3) Informal organisation come into existence for the sake of safeguarding the interest of its members and also serves as a check on the excesses done by the authorities.

(4) Another important feature of informal organisation is that in such organisations, the informal leader is chosen from the group who guides and directs through persuasion and influence. To remain in office for long, such leader must live upto the expectations of the group, confirm to the group norms and lead to group in such a manner that members get maximum benefits.

(5) Another distinctive feature of the informal organisation is that it is created to attain specific objective or objectives. The moment these objectives are achieved, the informal organisation also come to an end. That is why informal organisation is temporary by nature.

(6) In informal organisation status structure is determined by the sentiments of the members of group they have for each other. Status, in a way plays an important role in interaction among the members of the group. In this way the employees will create an informal social structure. Thus, status structure will help the operation of the organisation by providing status, reward, goals and satisfaction for the members.

1.6.3.2.2 Importance of Informal organisation :

Man is a social animal. He has wide and varied demands. To meet the growing needs of the people, formal organisation take the help of informal organisation. While living in the society, the individual develops informal relations i.e. to cooperate with others and in return seeks cooperation of others; shares joys and sorrows and celebrate festivals together. In the formal organisation the authority and responsibilities of all employees are determined by law and one can not act beyond those prescribed functions. On the other hand, in the informal organisation, there is close relationship between workers of the formal organisation because they may discuss any issue without any restraint.

In every informal organisation, the employees have intimate relationships and hence receive all informations and news very soon. Moreover, the employees in informal organisation are in a better position to share their causes of sadness and tensions because of their intimate relationships. The employees narrate their personal experience and in turn listen very patiently the experiences of other which prove very useful for all the employees of such and organisation. Infact, it is such an organisation which develops the feeling of self confidence among the employees which help them to enhance their qualifications. In this way he performs all functions of formal organisation very efficiently.

1.6.4 Difference between Formal and informal organisation :

In many respects the formal and informal organisation have differences the detail of which is given below :

(1) Formal organisation comes into existence under the law of the land. The aims and objectives of such an organisation to be achieved are also determined.

But on the other hand, informal organisation is not constituted under the law but is natural and spontaneous, out of the social tendency of people to associate to interact. Such organisation helps the members to protect their interests.

(2) Members of the formal organisation belong to the one work group. But the members of informal organisation, on the other hand can become members of more than one work group according to their own desires.

(3) Generally speaking the nature of formal organisation is permanent in character which is set up to operate for a longer period. But on the other hand the nature of informal organisation is temporary in character. That is to say that such an organisation comes to an end after the attainment of its objectives.

(4) In formal organisation, all its activities are formalised into work units of departments, divisions horizontally. Job position to its members are not given on their voluntary but as result of managerial decisions.

But in the informal organisation some of its activities are considered goals in themselves, while many other goals remains merely pious wishes of the members.

(5) In a formal organisation there is a clear cut provision of scalar system or hierarchy under which the authority and responsibility of each officer and employee is fixed. But there is no such supervision in the informal organisation. Rather the existence of such an organisation is based on the mutual relationship of its members.

(6) In formal organisation, the communication system from top to bottom

and from bottom to top is arranged in a single integrated system.

But in informal organisation the communication may spread in many directions.

(7) Formal organisation is based on the principle of bureaucratic system and its entire system works in accordance with this principle.

But informal organisation on the other hand, is neither definite nor observes specific rule in its working.

(8) In formal organisation, the individual undertake work for earning their livelihood i.e., they get salaries in lieu for the work.

But on the other hand the membership of informal organisation is voluntary and its aim is not economic but social in character.

(9) For the efficient working of formal organisation, supervisions plays significant role. Infact, no formal organisation can carryout its activities without supervision because the work and conduct of subordinates employees is looked after by the superior.

(10) In formal organisation, the authority of the officer and the employee is clearly defined and no member of an organisation can forcibly posses it. For example a clerk cannot foriebly occupy the seat of the superintendent. But in the informal organisation, there is always a struggle to get the office for example, informal organisation its members try to get the office of the President or Secretary by hook or by crook. That is why the office bearers such organisation change from time to time.

(11) The formal organisation is based on mechanical approach in which functions and relationships of the members are found in writing. But the informal organisation rests on humanistic approach i.e., on the mutual relationship of the members.

(12) In formal organisation there is no place for the sentiments because it is based on the discretion of the authority.

But on the other hand, the basis of informal organisation is the sentiments of its members and for the fulfilment of its objectives, its members work as a team.

1.6.5 Conclusion

From the above discussion it becomes clear that organisation is the key to success of administration. For this purpose the mutual cooperation of formal and informal organisation is very essential. No doubt, the informal organisation originates in the formal organisation, but formal organisation finds it difficult to attain its objectives without the help of informal organisation. In this way it can be said that formal and informal organisation are supplementary to each other i.e., both are dependent on each other for their successful

operation.

CHECK YOUR PROGRESS :

Note:- Compare your answers with answers given below :

- (1) What is Formal and Informal organisation ? Discuss features of Formal and Informal Organisation.
- (2) Distinguish between Formal and Informal organisation.

1.6.6 Key Words

Organisation - Designing administrative structure, designing as well as building up of structure, administrative structure we get as an end product of these activities.

Informal organisation - mutual relations among the employees working in any organisation.

1.6.7 SUGGESTED READINGS

- (1) Public Administration (Theory and Practice) : M. P. Sharma.
- (2) Public Administration : A. Avasthi, S. P. Maheswari.
- (3) Public Administration : A. R. Tyagi

1.6.8 ANSWERS TO CHECK YOUR PROGRESS :

- (1) Your answer should include introduction, meaning and any two definitions of organisation, meaning of formal and informal organisation and comparison of the two, conclusion.
- (2) Meaning of formal and informal organisation and comparison of the two, you should try to write introduction in the beginning and conclusion at the end of your answer.

Updated On September, 2023 by Dr. Ravneet Kaur

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