UNIT1 : INTRODUCTION TO OFFICE MANAGEMENT

UNIT STRUCTURE

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1.1 LEARNING OBJECTIVES

After going through this unit, you will be able to:

- describe the importance of office
- explain the nature and functions of office
- discuss about the relationship of office with other departments
- describe the functions of office
- analyse the role of an office manager.

1.2 INTRODUCTION

In this unit we will discuss about office, its functions and different activities performed in the office. Office is a physical set up usually a building or portion of a building, where a company conducts its business. An organization can have just one office, known as its home office, or a main office and a variety of field offices or branch offices depending on the size of the business. All of these offices are involved in some way in the functioning of an organization. In an office, records of various activities are

kept. Basically office management is the administrative management, which involves handling, controlling and maintaining a balanced process of work inside the office of an organization whether big or small. An office is necessary to facilitate the processes of administration. In this unit, we will discuss all these aspects in detail.

1.3 MEANING AND OBJECTIVES OF OFFICE

An efficient and effective organisation must possess all the information it needs to enable it to come to a variety of decisions. To retain information, to analyse it and furnish it for the management, are the basic functions of a modern office. According to J.C. Denyer, an office is a place where clerical operations are carried out. In other words, office means a place where the clerical work is done. But today the word office is used in broader sense; it refers to various functions performed by a certain group of persons. An office is generally considered as a room/ a physical set up or other area where administrative work is done, but may also denote a position within an organization with specific duties attached to it. Depending on the size of the business it may be either small office or big office including massive buildings dedicated entirely to one non commercial organization or a business organization. In modern terms an office usually refers to the location where white-collar workers (non manual labour) are employed.

The office manager is the coordinator of the work system. An office manager is responsible for planning, organizing, and controlling the clerical aspect of the organization, including the preparation, communication, coordination and storage of data to support production and other important operations of an industrial establishment. Often they also engage in marketing. Also, their tasks are to monitor the work processes and to evaluate the outcome. The outcomes of work are intended for what can be called the final receiving system or entity, as for instance, client, customer, and other departments. The basic functions of an office can be said to be receiving, recording, arranging and the giving of information.

Importance of Office : An office is an important and indispensable part of every organisation, whether it is small or big. The importance of the

office to a business enterprise arises from the fact that a modern business cannot be managed efficiently without clerical assistance in some form or other. The office coordinates all the activities of the business. Without an organized and efficient office, business activities cannot be carried out systematically. The office serves modern business in following way:

- Works as an information centre : Office collects information from all sources, records it, arranges and analyses it and provides it to the management when required.
- Works as an intermediary between management and the customers : An office links the business organisation with its suppliers, customers, the government and the general public.
  - Works as a coordinator to handle different activities of the business.
  - Works as a service centre.
  - Works as an administrative centre, and
  - Works as a control centre.

Main Objectives of an Office : Office works include verbal transaction of information, production of written records and reports in order to provide the large amount of data to supply a factual basis of managerial control in a specific organisation. Office work is generally concerned with making, preserving and using records of different activities carried out in an office. These records are generally related to purchasing, producing, selling, accounting and correspondence, inventories and written or printed memorandums of all kinds. The type of office records varies depending on the type of business. These records may be required in an organisation for an efficient and effective control of its operations. Therefore the key objectives of an office are :

- To plan the activities of office and ensure their execution : Generally the office manager plans different activities of the various departments and accordingly it is implemented with the help of other employees.
- To co-ordinate the activities of the various departments : Co-ordination is the act of organizing, making different people or things work together to achieve desired goals in an organization. It is essential in an office to co ordinate various activities of different departments.

- To preserve all the records of the business : An office needs to keep large amount of data in its data base. So it should have a proper record keeping system. It also needs to maintain books of accounts, registers, books of references, statutory and non statutory registers, etc. for carrying out different activities.

1.4 FUNCTIONS OF OFFICE

The functions of a modern office may be classified into two categories, which are discussed as follows:

i) Basic functions (or routine functions) and

ii) Administrative Management functions

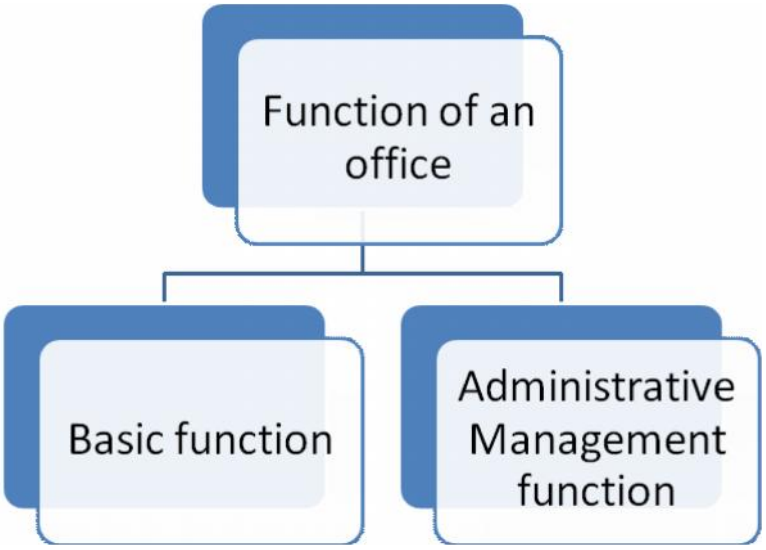


Fig. 1.1

1.4.1 Basic Functions

The basic functions of an office are collecting, processing, storing and distributing information from one section to another. These functions are discussed as follows :

- **Receiving Information :** Information relating to office may be obtained from internal or external sources. Information can be received from internal sources like section departments, external sources like government departments, suppliers, other

companies, clients etc. Information is received through letters, orders, invoices, telephone calls etc. from both internal and external sources.

- **Recording Information :** The object of keeping records is to make information readily available to the management, whenever required. Records have to be maintained properly for all information obtained from internal and external sources.
- **Arranging Information :** Information so gathered from various sources has to be supplied in the prescribed format like invoice, payroll, accounting statements, statistical statements etc.
- **Giving information :** From the records maintained in the office, the required information in the form of instruction, orders, statistical and financial statements etc. are given to the management by the office manager.

1.4.2 Administrative Management Functions of an Office

The administrative functions of an office help in smooth functioning of the primary tasks. An office is responsible for safeguarding of all assets and documents of the organisation, an office is supposed to execute careful purchasing and proper storage of machines, equipment, furniture, stationeries and supplies. Office keeps management informed about the changing public opinion and communicates properly the policies and aims of the organisation.

Following are the some of the administrative functions of an office :

- **Management functions :** It includes planning, organisnig, directing and controlling of the office work.
- **Public relation functions :** An office need to maintain good public relation to enhance the reputation and goodwill of the organization.
- **Instituting office system and routines :** Office routines, systems and procedure etc. should be developed to ensure a

smooth flow of office work.

- **Retention of records :** Office records like, correspondence, letters, invoices, orders etc. should preserve and retain for future reference.
- **Safeguarding assets :** It is the function of an office to safeguard the assets (furniture, office goods and equipment etc.) of the organization.
- **Selection and purchase of office appliances :** An office manager should purchase the right type of machines, equipment or furniture etc. for proper functioning of the office.

As the office needs to perform the diversity of functions as outlined above, the office manager is expected to have proper problem solving and decision making abilities, integrity, assertiveness, flexibility, accuracy and the ability to cope with pressure. We shall discuss some of the important functions of office manager in a later part of this Unit.



CHECK YOUR PROGRESS

Q 1 : What is an office?

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Q 2 : State any two objectives of an office.

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Q 3 : State the functions of an office.

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1.5 RELATIONSHIP OF OFFICE WITH OTHER DEPARTMENTS

According to Knootz and O' Donnel "Departmentation is a process of dividing the large functional organisation into smaller and flexible administrative units." Thus departmentation is an integral part of the overall process of organizing. Departmentation can be done based on its function, its product or services, by territory, by processes performed or by its customers. In an office we are mainly concerned with departmentation that is done on the basis of functions rather than on the basis of territory or customers. We may have a branch office for the North East India (Territory) or a sales office (for customers). But even within those offices also there will be official functions like book keeping, accounting, purchasing etc. An office comprises of many departments and smooth functioning of every department is essential to smoothly run an office. An office collects different information from different departments, and then processes the information and provides this information to other departments. The number of departments and employees in each department varies depending on the size of the business. Major departments in an office (Marketing, Production, Personnel and Finance) are shown in the following diagram.



Fig. 1.2 : Major Departments in an office

1.6 POSITION AND ROLE OF AN OFFICE MANAGER

Role of Office Manager : Office managers are the people who help in smooth functioning of the office by providing support for the revenue generating groups in the office. An office manager is responsible for getting the work done in the office and has to ensure that procedures and policies formulated by management are complied with. An office manager is one who has the administrative responsibilities of office management. He/ she looks after the office systems and routines and should have a thorough knowledge of all office systems and routines. Office manager advises the other departments regarding various works to perform in all the departments so that the office can run properly.

Qualities of a Good Office Manager : Following are the basic qualities a good office manager :

- The office manager should have good leadership quality. He/she should possess an analytical mind to take care of different situations arising in the office.
- The office manager should possess personal qualities like, self control, enthusiasm, sincerity and adaptability etc.

Functions of Office Manager : The office manager is required to plan, organize, direct, control and coordinate various departments. All these activities, the office manager operates from his office. The office manager has to take care of office automation, office systems and procedures, office equipment, supplies etc. The functions are wide ranging, and can be highly technical in nature. The functions of an office manager can be grouped into different categories and briefly described each below.

- **Administrative Services :** This can include managing the reception function; planning meetings and conferences; managing accomodation and travel for official guests; managing mail processing; coordinating office parties; and administering business continuity programs such as business insurance, liability insurance, disaster preparedness etc.
- **Facilities, Equipment and Supplies :** The office manager is responsible for the management matters related with office premises.

This can include office space costing and leasing; office moves and relocation; signage; interior design and décor; furniture; fire safety; security; overseeing cleaning, maintenance, and repair; arranging for office equipment and supplies; and arranging for commercial printing.

- **Information Technology :** Information technology in office includes use of desktop software (word processing, email, spreadsheets, and presentations); use of database systems; administering computer hardware; administering a file server and local area network; data and system security; systems monitoring and reporting etc. Communication systems and records management are becoming more common in office, and duties to be included in the information technology group are phones, voicemail, email system, cell phones, 2-way radios, broadband internet access, and document collaboration systems etc.
- **Human Resources :** Human resource function can include establishing office and personnel policies, procedures, and practices; drafting job descriptions; administering the compensation package (salary, health plans, and benefit plans); recruiting and interviewing; promotion, transfer, termination related matters; outsourcing; administering performance plans and appraisal programs; administering recognition and award programs; administering training and professional development programs etc. based on the requirements of the organisation.
- **Management :** This can include applying principles and functions of management (planning, organizing, leading, and controlling), documenting the management organization and chain of command, and establishing business ethics guidelines. The office manger is required to prepare plans for smoothly carrying out the office activities, formulate budget for running the office and needs to allocate responsibilities as defined. The office manager has to coordinate various activities conducted in the office.

Changes in the office environment have increased the demand for office managers who are competent, professional, adaptable and versatile. Office managers must have a core set of education and abilities. And because they are continually faced with new and diverse challenges, as

well as rapid advances in office technology, it is important for them to keep apprised of the latest knowledge and trends.

Organizations can raise the competency and professionalism of office managers by recruiting and promoting qualified candidates and by providing training, professional development, and continuing education opportunities. This will ensure the office manager to provide the best possible value and help keep the organization thriving, competitive, and profitable.

Assignment of these duties depends on the size of the office and the kind of organization.

- In a small size office, all of these duties might be assigned to a single office manager or they might be divided up among several administrative staff.
- In a medium size office, all of these duties might be assigned to a single office manager who supervises a small administrative team.
- In a large organization with branch offices, there might be several office managers who specialize in a particular area (IT, finance, human resources, etc.), and a single administrator such as a Vice President of Administrative Services at a headquarters location (and each branch office might have a single office manager to oversee administrative services at their location).

The office manager should have good leadership qualities and practical experience in the respective field. As the technology has changed rapidly, changes have also taken place within the office operations, office manager's responsibilities also have changed. The new office environment includes changes in accounting, secretarial and office routines and technological office innovations etc.

Movement of Work : In any organisation, office work is performed by many employees. The flow of work must be ensured in such a way that office work is done with maximum efficiency and minimum cost. Flow of work is connected with the way in which work moves along from one operation to another and it should flow steadily without any interruption. The work should be planned in such a way that there is least possible wastage

of time. Avoidance of delay for unnecessary movement of files is possible if flow charts are carefully designed. In an organization, for procurement of goods, services and works, some official procedures have to be maintained. Those can be depicted in flow charts in a sequential manner. For example, in order to purchase some materials, the stores department will have to send official note regarding the need. Then information will have to be collected about the product, price, suppliers etc. The suppliers will submit their rates etc. after receipt of official notification. Then after an official process work order or purchase notice will be issued, stock will be received, payment will be made to the supplier. Like this, the official procedure will go on. Following is an indicative list outlining the procedural steps.

- Receipt of requisition from stores
- Collection of information
- Calling for quotations
- Follow up with suppliers
- Receipt of materials and invoice
- Preparation of received notes from stores
- Materials checking with samples
- Invoice checking
- Passing the invoice for payment
- To the cash department for preparation of cheque
- Despatch of cheque

We will be discussing this in detail in unit 3.



CHECK YOUR PROGRESS

Q 4: State two functions of an office manager.

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Q 5 : State two qualities of an office manager.

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Managerial Skills Required for an Office Manager : The skills required to accomplish the duties of an office manager can be grouped into three categories :

- Conceptual Skills
- Human Skills
- Technical Skills

While office managers must possess all of these skills, the importance of each area varies depending on the different management level of the position. For example, office managers in small and medium size offices or in some small sections of some large offices need more technical skills to perform their job effectively. Office managers at the middle level of management in an organization rely heavily on their people skills. And for top level managers, such as an executive vice president of administrative services in a large organization, conceptual skills are most important.

Conceptual Skills : Conceptual skills include the ability to analyze problems and come up with solutions and to identify potential problems and prevent them. Identifying and correcting inefficient processes is an example of a conceptual skill. This category also includes the ability to work without close supervision, be detail oriented, demonstrate sound reasoning and judgment, and have the ability to make decisions. And, it includes the ability to see the organization as a whole and understand how a change to one part of the organization could impact the other parts, anticipating the impact of decisions.

Human Skills : Human skills (sometimes referred to as “soft skills”) enable an office manager to work well with others. They include good oral and written communication abilities, the ability to resolve conflicts and build consensus, and the ability to motivate and inspire employees. Equally important are the abilities to read people, work with difficult people, and to be fair and firm. They also include the ability to listen and give others the opportunity to provide input and offer meaningful suggestions. These skills are particularly important for an office manager because they are usually

the liaison between the top management and all kinds of other employees, from professional, technical and managerial staff to clerks and and all other employees.

Technical Skills : Technical skills include the ability to use machines, computer technology, processes etc. They also include specialized knowledge and abilities in numerous areas such as communication systems, records management, finance, human resources, facilities, commercial printing, mail processing, and business insurance etc. The ability to coordinate several activities at once, set priorities, and establish and meet deadlines are other examples of technical skills. This category also includes a sound understanding of law and how to comply with those legal requirements. Technical skills are also particularly important for an office manager because they are usually the only person in the organization responsible for these areas.



1.7 LET US SUM UP

In this unit, we have discussed about office, its functions and different activities performed in the office.

- Office is a physical set up usually a building or portion of a building, where an organization conducts its business or activities.
- Office works includes verbal transaction of information, production of written records and reports in order to provide the large amount of data to supply a factual basis of managerial control in a specific organisation.
- Office work is concerned with making, preserving and using records of different activities related to office.
- Main objective of an office are :
  - To plan the activities and ensure their execution.
  - To co-ordinate the activities of the various departments.
  - To preserve all the records of the business.
- The functions of a modern office may be classified into two categories, which are Basic functions and Administrative Management functions.
- The basic functions of an office are collecting, processing, storing and

distributing information from one section to another.

- The Administrative Management functions of an office help in smooth functioning of the primary tasks.
- Office manager needs to possess different skills for smooth functioning of the office.



1.8 FURTHER READING

1) Balachandran, V. and Chandrasekaran, V. (2009), Office Management, Published by Tata McGraw Hill Education Private Limited.
2) Chopra, R. K. and Chopra, Ankita (2009), Office Management, Published by Himalaya Publishing House.



1.9 ANSWER TO CHECK YOUR PROGRESS

Ans. to Q. No. 1 : An office is a place where administrative work is done, but may also denote a position within an organization with specific duties attached to it.

Ans. to Q. No. 2 : Two objectives of an office are

- To plan the activities of office and ensure their execution and
- To co-ordinate the activities of the various departments.

Ans. to Q. No. 3 : Two functions of an office are

- Basic functions and
- Administrative Management functions.

Ans. to Q. No. 4 : Two functions of an office manager are

- Recruitment of office staff.
- Training of staff

Ans. to Q. No. 5 : Two qualities of an office manager are

- The office manager should have good leadership quality. He/she should possess an analytical mind to take care of different situations arising in the office.
- The office manager should possess personal qualities like, self control, enthusiasm, sincerity and adaptability etc.

1.10 MODEL QUESTIONS

Q 1 : Explain the objectives of an office.

Q 2 : State the basic and administrative functions of an office.

Q 3 : Explain the role of an office manager in an office.

Q 4 : Prepare a flow chart for office work.

Q 5 : What are the skills required for an office manager?

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