

Objectives pursued by organizations should be directed to the satisfaction of demands resulting from the wants of mankind. Therefore, the determination of appropriate objectives for organized activity must be preceded by an effort to determine precisely what their wants are. Industrial organizations conduct market studies to learn what consumer goods should be produced. City Commissions make surveys to ascertain what civic projects would be of most benefit. Highway Commissions conduct traffic counts to learn what constructive programmes should be undertaken. Organizations come into being as a means for creating and exchanging utility. Their success is dependent upon the appropriateness of the series of acts contributed to the system. The majority of these acts are purposeful, that is, they are directed to the accomplishment of some objectives. These acts are physical in nature and find purposeful employment in the alteration of the physical environment. As a result, utility is created, which, through the process of distribution, makes it possible for the cooperative system to endure. Before the Industrial Revolution most cooperative activity was accomplished in small owner-managed enterprises, usually with a single decision maker and simple organizational objectives. Increased technology and the growth of industrial organization made necessary the establishment of a hierarchy of objectives. This in turn, required a division of the management function until today a hierarchy of decision makers exists in most organizations.

The effective pursuit of appropriate objectives contributes directly to organizational efficiency. As used here, efficiency is a measure of the want satisfying power of the cooperative system as a whole. Thus, efficiency is the summation of utilities received from the organization divided by the utilities given to the organization, as subjectively evaluated by each contributor.

The functions of the management process are the delineation of organizational objectives and the coordination of activity towards the accomplishment of these objectives. The system of coordinated activities must be maintained so that each contributor, including the manager, gains more than he contributes. (323 words)

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"Modern Day Organizations"

Organizations work to meet the requirements of human beings. They adapt various methods to calculate these requirements accurately and set their objectives accordingly. Organizations work to produce and purchase goods. They will succeed only if their activities contribute to achieve a specific goal. Goods are produced in mechanical processes in their industries after which they are delivered to customers. The organizational activities were simple before industrial revolution. With the spread of industrialization and modern machinery, the organizational activities became complex and it required organizational structure. If the organizational structure is strong, the organization is more productive. The organizational structure shall be such that it complements each other's work.