

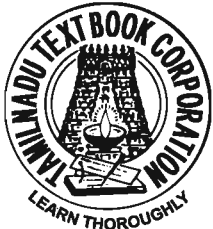
# **OFFICE MANAGEMENT**

**(Office Secretaryship)**

**Vocational Education  
Higher Secondary - Second Year**

A publication under  
Government of Tamilnadu  
Distribution of Free Textbook Programme  
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**Untouchability is a sin  
Untouchability is a crime  
Untouchability is inhuman**



**TAMILNADU  
TEXTBOOK CORPORATION**  
COLLEGE ROAD, CHENNAI - 600 006

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First Edition - 2011

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This book has been prepared by  
The Directorate of School Education on behalf of the Government of Tamilnadu

This book has been printed on 60 G.S.M. Paper.

# **OFFICE MANAGEMENT**

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### **Higher Secondary - Second year**

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# 1. CONCEPT & ROLE OF MODERN OFFICE

## LEARNING OBJECTIVES :

- *To understand the concept of modern office through its definition, functions, and its importance.*
- *To gain knowledge of the functions performed by a manager and the qualities required for a manager to be successful.*

**Introduction - Meaning and Definition - Functions of an office - Importance of an office to a Business Enterprise - Types of Office - Office Manager - Position of the office Manager - Qualities that make a good office manager - Functions and duties of office manager.**

## INTRODUCTION

Office is described as the nerve centre of the entire organization. The present day office activities have expanded to a wider extent to keep pace with rapid globalization. Further, office by itself has become an indispensable part of any business organization. Modern offices are organized on scientific principles and their management and administration are in the hands of techno-savvy office managers which has paved way for the sustenance of a business amidst cut-throat competition.

## 1. MEANING & DEFINITION

Office is a place for transacting business where clerical and administrative functions are carried out to coordinate and control the activities of the organization. A typical office performs



Fig. 1.1 - Modern Office

tasks such as framing of business policies, processing and communication of information, record keeping, handling mails, execution of orders and managing receipts and payments. Office can be described as any place where information converges on paper, which is documented, preserved and used for both current and future operations of business.

## **DEFINITIONS :**

The definitions of office may be noted as under :

“An office is the place where the control mechanisms for an enterprise are located, where records are initiated for communication, control and efficient operations of the enterprise.”

- *George R. Terry*

“The office is the administrative centre of business. The purpose of an office has been defined as the providing of a service of communication and record”

- *Mills and Standingford*

Office work is not only confined to paper work but also include other activities which are well understood from the following definition :

“Office is a unit where relevant records for the purpose of control, planning and management of the organization are prepared, handled and preserved. Office provides facilities for internal and external communication and co-ordinates activities of different departments of the organization.”

- *Littlefield, Rachel and Caruth*

### **DO YOU KNOW**

Once, long ago, everyone in the world ice-skated. In fact, everyone worked **ON** the ice. Then, someone came up with the idea of working **OFF** the ice. A new word was then formed by combining the words **OFF** and **ICE**. That is where the word **OFFICE** comes from. This is why the majority of people in the world don't ice skate and work in **OFFICES**."

## **2. FUNCTIONS OF AN OFFICE**

Office provides invaluable assistance to the management which involves decision making at every stage. The decisions are based on the validity and completeness of the information provided by the office. Hence the function of the office is to receive, process, tabulate and record the information and communicate it to the proper levels of management for their use in the decision making process. This leads to better performance of an organization.

The activities that come within the purview of the term 'office' can be classified as:

- a. Basic or routine functions
- b. Supporting or administrative functions

### **2.1 Basic functions**

The basic functions are essential functions of any office which includes receiving, recording, arranging, analyzing and giving (disseminating) information.

**1. Receiving & collecting information :** Appropriate and timely information is crucial for the smooth functioning of any business. Information can be received from two sources *viz.* internal and external. Internal sources include inter departmental notes, letters, circulars, orders, enquiries, telephone messages, Short Messaging Service (SMS), electronic mail (e-mail),

intranet, etc., External sources include suppliers, customers, competitors, government departments, internet etc.

**2. Maintaining a record of the information :** After receiving and collecting information the next major function of the office is to record the information in written form. The different forms in which records are maintained are correspondence, reports, circulars, statements, list, charts, books, registers etc., Each office determines the form, the number and nature of records to be maintained according to the need of its activities. Written records not only facilitate its communication but also its preservation for future reference. It also helps the management in taking decisions on policy matters and serves as an evidence of proof in case of disputes.

**3. Systematic arrangement & analysis of information :** The information that is received from various sources has to be arranged systematically in a functional manner. The information is arranged categorically in the form of financial matters, statistical statements, charts, diagrams, sales/purchase reports, etc., This manner of arrangement will enable quick access to the required information by the management to make meaningful decisions.

**4. Disseminating information :** Information however accurate and complete loses much of its value if it is not provided or is not made available promptly. The information must be communicated to the required persons as and when it is demanded by them. Important policies and guidelines are communicated by the top management to the lower levels of management. The information so communicated can be either routine or special. Routine information includes cash and bank balances, stock position, staff attendance etc., Special information includes amendments in tax and corporate laws, information about promotion etc.,

**5. Co-ordination :** Office also performs the function of co-ordinating the activities of different individuals and departments of the organization. Apart from providing an internal link office helps to connect with other interested parties such as customers, suppliers, creditors, middlemen, etc.,

## **2.2 Supporting functions**

Supporting functions are inevitable in the administration of a modern office. These functions assist in performing the basic functions effectively.

**1. Execution of management functions :** Organization of the office on modern lines is one of its important supporting functions. It involves the management functions of planning, organising, directing, co-ordinating and controlling. The execution of these functions in relation to office activities facilitate the performance of the basic functions of an office in an efficient manner.

**2. Development of office systems and routines :** For the efficient and economical performance of office operations, each major phase of office work has to be carefully analysed and planned which are interdependent and interrelated. The routine steps for performing each phase of work have to be determined along with furniture, equipment, machines, forms etc. One of the important functions of the office is to plan and set up suitable systems and routines for each major phase of office work.



**3. Designing of requisite forms :** Office work being mostly paper work, suitably designed office forms are of vital importance for the systematic and speedy performance of office work. Use of standardized form simplifies office operations, increases output of work and reduces cost of office management. Modern offices adopt a new approach called “systems approach” which emphasizes on the mechanization of the use, preparation and movement of forms and other records.

**4. Procurement of office furniture, equipment & machinery :** The efficient and economical performance of office work also requires the provision of suitable and adequate furniture, equipments, machines, etc., for the different departments. Since all these are very expensive, attempt should be made to purchase such machines and equipments which could be put to multiple uses with least discomfort to people at work.

**5. Procurement of office stationery & supplies :** Several types of stationery are necessary for doing the office operations. It is of utmost importance to purchase right kind of papers, file covers, pens, pencils, erasers, Compact Disc (CD), pen drive etc., which will be used for the collection, compilation and storage of records. It is the function of the office to look after the standardization, selection, and purchase of office stationery and its distribution to different departments.

**6. Performance of personnel functions :** The office helps the management in the performance of personnel functions. It is the office through which vacancies are notified, employment interviews are conducted, appointment letters are sent and new employees are recruited for various positions. It also provides training for the staff. It maintains personal records of all the employees regarding their training, achievement, appraisal, leave etc. Management of the disbursement of salaries and incentives is also facilitated by the office.

**7. Ensuring safety of assets :** The assets of an office building include movable assets such as furniture, office machines, equipments of various types, cash and securities, records, deeds, documents, etc., and immovable assets like air conditioners, water coolers, lighting and ventilation systems, fans, conveyor belt systems, etc. Arrangements should be made for the proper maintenance of these assets against loss or damage by theft, fire or other means, as it may affect adversely the productivity of the office staff.

**8. Securing public relations :** Modern office focuses on enhanced public relations which necessitate the communication of the objectives, aims and policies of the organization to the public. In turn the changing public opinion and the reactions of the public to certain actions of the organization are communicated to the management. In addition, it also attends to such other activities which would enhance the image of the organization in the eyes of the public.

### **3. IMPORTANCE OF OFFICE TO A BUSINESS ENTERPRISE**

“No organization worth its name can exist without an office.” Thus, the office is an important segment in any organization big or small, government or private and contributes to its efficient and economical functioning. The importance of an office to a business organization is

high because of the variety and complications which a business enterprise is to face owing to competition, legal and statutory restrictions, role of trade unions and a host of other factors. A business enterprise today cannot face these challenges and problems without the assistance of a well organized office.

Office is the real brain behind every business activity and the nerve centre of all deliberations. In the words of Dicksee, what office is to business is what the mainspring is to watch. All operations are directed, co-ordinated and controlled through the pivotal point - Office. A well organized office makes it possible for management to plan its operations intelligently, to execute it effectively, to appraise the results and to co-ordinate all the activities of the business. The importance of office arises due to the following factors:

**1. Office as an information centre :** Office can be described as the information centre or data bank of an organization. All kinds of information and figures, whether past or present, are



Fig. 1.2 - Office - an information centre

available in the office. The information furnished by the office serves as the basis of forecast, planning and control.

**2. Channel of communication :** Office is a channel through which communications, especially written communications, move from top to bottom and in reverse order as well. An organization would fail in spite of its best talents, if objectives, policies, orders and results are not communicated in either direction.

**3. Aids in co-ordination :** Office serves as a co-ordinating link among all the departments of an organisation. The process of co-ordination is almost impossible without the presence of office. Office provides the necessary information and knowledge for co-ordinating the efforts of different departments such as production, finance, personnel and marketing.

**4. Aids in managerial control :** Control can be described as the measurement and correction of performance of the subordinates in order to make sure that enterprise objectives and the plans made to achieve them are accomplished. Control is thus a necessary function of management which requires

- Establishment of standards
- Measurement of performance against the standards
- Correction of deviations from the standards and plans

Control cannot be exercised only with the help and support from the office. Required data is collected, documented and presented for effective control by the office.

**5. Importance vis-a-vis workers :** Effective human relations requires effective organization. Preparation of wage and salary sheets and their payment are the responsibilities of office. Office is also responsible for operating employee benefit schemes such as pension and provident fund schemes. Office contributes immensely in maintaining good relations between the management and workers.

**6. Importance vis-a-vis share holders & creditors :** Office serves as the link between the share holders on the one hand and the company on the other. Office helps with the work related to issue of share certificates, dividend warrants and notice of company meetings, share transfer and answering different enquiries of share holders. Office also links the creditors with the organisation and acts as a liaison for them.

**7. Importance relation to customers :** The importance of office in relation to customers is of great significance. Office acts as a channel that links the business organisation with its customers. Their enquiries, orders and complaints are taken care of by the office through direct personal contact. Print, visual and electronic media are used by the office to inform the customers about the products and their uses.

**8. Importance in relation to government & general public :** Today, a business organisation is recognized as a social institution. It is required to satisfy government regulations. The office acts a link between different government departments and the organisation. Office is also the link between the general public and the organisation. Office is responsible for building a healthy social image of the organisation in the minds of the people.

#### **4. TYPES OF OFFICE**

The various types of office are:

1. Front office
2. Middle office
3. Electronic or e-office
4. Virtual office
5. Back office

1. **Front office** is a business term that refers to a company's departments that come in contact with clients, including the marketing, sales, and service departments. The front office welcomes visitors, meets and greets them and handles their queries.



Fig. 1.3 - Front Office

2. **The middle office** comprises departments of financial services that manage position-keeping. These divisions ensure that transactions capture profit flows. The middle office is usually a part of operations division, which is also in-charge of settlement. Due to their critical role, middle office functions along with the front office and is supervised by the back office managers.
3. **The electronic office or e-office** was a term coined to cover the increasing use of computer-based information technology for office work, especially in the 1980s. It is widely used since all modern offices are electronic offices.

E-office reduces most of the paper work and also makes the office communication electronic. E-office requires the use of individual computers loaded with software applications which are interconnected in a Local Area Network (LAN),

4. **The virtual office** is the combination off-site live communication and address services that allow users to reduce traditional office costs while maintaining business professionalism.



Fig. 1.4 - Virtual Office

The term “Virtual Office” implies space utilization, but a full application includes professional live communications of teleconferencing.

### DO YOU KNOW

The virtual office idea came from the convergence of technological innovation and the Information Age. The concept has roots in the Industrial Revolution, where parallels to current work styles, specifically working from home, have been drawn. The term was first used in a 1983 airline in-flight magazine article about portable computing. The virtual office concept is an evolution of the executive suites industry. However, the inflexibility of an executive suite lease doesn't work for many business models and helped spur the virtual office concept. The first commercial application of a virtual office occurred in 1994, when Ralph Gregory founded “The Virtual Office, Inc” now known as Intelligent Office, in Boulder, Colorado.

5. **Back office** is a part of most corporations where tasks dedicated to operating the company are performed. The term comes from the building layout of early organisations where the front office would contain the sales and other customer-facing staff and the back office would be those manufacturing or developing the products or involved in administration but without being seen by customers. Although the operations of a back office are usually not given a lot of consideration, their contribution to the business is significant.

Examples of Back-office tasks include Accounting, Computerisation of transacts, running (operations architecture), accounting, and human supported by softwares & database.

## 5. OFFICE MANAGER

The office manager is the co-ordinator of the work system. He is the one who gets things done by working with people and other resources to achieve the objectives. The manager is responsible for planning, organising and controlling the clerical aspects of the organisation, including the preparation, communication, coordination and storage of data to support production and other important operations of an industrial establishment. He organizes the activities with direction and leadership and integrates the activities of the department with that of other departments. He monitors the work processes and evaluates their outcome.

Some of the functional names associated with an office manager are Manager - Administration, Administrative Manager, Commercial Manager, etc. Thus, an office manager is one who performs the functions of control and direction irrespective functional name of his.

### 5.1 Position of the office manager

The position of the office manager is of great importance. His position vis-à-vis the organisation is summed up below:

**1. Implementation of policies :** He is a part of the management and is the last link in the chain of command from top management. He is responsible to get the work done in the office and ensures that management policies are properly implemented.

**2. Influencing morale :** Office manager is the only official with whom the employees come into contact everyday, hence he will directly influence their morale and their willingness to cooperate and work.

**3. Neutral link :** He occupies an important position of great significance. He has to be neutral and act as a link between the management and the workers.

**4. Recruitment, selection & training :** Recruitment is a process of finding and attracting capable applicants for employment. Recruitment process is concerned with the identification of possible source of human resource supply and tapping those sources. Selection helps to choose the fit candidates and reject the unfit candidates. Training is concerned with imparting and developing specific skills for a particular purpose. It is a process of learning a sequence of programmed behaviour. Office manager is required to recruit, select and train the personnel. On account of this important function, an office manager occupies a vital position in an organisation.

**5. Public relations :** In a modern organisation, the office manager is also responsible for public relations. He projects the organisation before the public. He gathers information concerning public relation and communicates them to the top management. He also advises the management about changing public opinion.

## **5.2 Qualities that make a good office manager**

The office manager, like any other manager in an organisation, must possess certain qualities to be a good manager. They are summed up as follows:

**1) Proper education, training and experience :** A sound educational background is a great asset of the office manager. It is essential that he should be able to communicate well both in oral and written form. Besides, he should possess an analytical mind to take care of different situations arising in the office. He should also be well-trained in office management procedures and systems, office machines, equipment and office routines. An awareness about the social and political environment is also an important part of his personal education as this would help him in judging behaviour of his subordinates.

**2) Ability to delegate work :** This quality of the office manager is pre requisite for his effective performance. Delegation helps to distribute the work load of the manager and allows the firm to expand. He should initiate steps to delegate authority, keeping in mind the fundamental principles of delegation. In fact he should go further and train workers to accept delegated work coupled with authority and responsibility.

**3) Ability to organize :** Office manager should be a good organizer. Since the smooth working of the business enterprise depends upon the office, he should be able to organize the office work meticulously and systematically to achieve the objectives and goals of the enterprise.

**4) Leadership :** Leadership is required to tackle the problems of indifference, forgetfulness, shortsightedness and apprehensions of people. Field Marshall Montgomery defines leadership as

“the capacity and will to rally men and women to a common purpose”. Leadership is the ability to enthuse, to inspire and guide subordinates and its essence is the ability to get the best out of people as well as the individuals. This quality is common to all managers production, selling, purchasing, personnel or office.

**5) Personal qualities :** Some of the important personal qualities that an office manager must possess are tact, self-control, enthusiasm, sincerity and adaptability. These personal qualities would stimulate and motivate the subordinates to perform better. It would be proper to say that personal qualities go a long way in making a leader and add to his personality. The strong moral character of a manager would enhance the moral of the office. Thus, personal qualities would help attain objectives with great ease and without much conflict.

### **5.3 FUNCTIONS OF AN OFFICE MANAGER.**

The functions of an office manager relate to the following:

**1) Recruitment of staff :** Office manager is entrusted with the job of selecting staff for his office. He has to determine the type of people required, sources of supply, method of selection, etc. On final selection of a candidate for a job, service agreement is to be prepared.

**2) Training of staff :** The person selected must be rightly placed in the organisation structure. Necessary training must be given and the selected person must be familiarized with the tasks that he may be required to perform. The training programs are to be devised not only for the new recruits, but also for the existing employees as regards latest appliances, techniques and processes of office management. Suitable refresher courses can be devised by the organisation, management institutions or universities for the purpose.

**3) Devising methods of work measurement & compensation :** Devising methods of work measurement is a difficult task since it is hard to measure, in physical terms, the output of the staff. Therefore, on the basis of accepted norms for work measurement, methods must be devised for both measurement and compensation to secure efficiency and cooperation of the staff

**4) Promotion :** Promotion plays a pivotal role in the growth of an organisation. They help in enhancing the effectiveness of the employees. Promotion is a good way to recognize the efficiency and quality work of an office worker. Promotion should on a fair and just basis. The office manager is a key person in deciding promotions.

**5) Co-ordinating :** Co-ordinating the tasks of various workers in the office is essential for its existence. Office will be a meaningless mass of people without coordination.

**6) Controlling stationery & supplies :** He is required to enforce proper control over stationery and supplies in the office. In large offices, there should be a separate store keeper and normal procedure of maintaining stores must be followed. Sources of supply must be determined properly. Where ever procedures are laid down, they should be followed diligently.

**7) Accounting & costing :** Accounting and costing form a vital part of office administration. The office manager combines the duties of the accountant and his functions include directing the

accounting procedure. If the costing section is located under his jurisdiction, he will be required to direct its activity too.

**8) Secretarial :** Office concerns itself more with the provision of secretarial and other related services. The office manager also plays the role of a secretary in a small organisation. In which case, his duties include the duties of the company secretary. He is responsible for the share management, maintenance of the various books and registers as required by the statute.

#### **5.4 Duties of the office manager**

The duties of an office manager is summarized under the following headings:

##### **In relation to the top management**

- 1) He should support and implement the policies, objectives, budgets, etc. of top management.
- 2) He should report back since he is the key person for the office function. Staffing problems, arrears of work, or acute work problems must be reported immediately, so that work goes on unhindered.
- 3) He should cooperate with the outside management consultants. If, they have been employed to study office procedures and systems.

##### **In relation to the work**

- 1) He should see that the work is done efficiently as per the schedule laid down and as per the methods and system designed. Any work problems that arise in the course of functioning of the office employees must be solved.
- 2) He should see to it that the work must go on continuously regardless of sickness, leave, absence, etc.
- 3) He should ensure continuous control over all the work exercising quality control and production control.
- 4) He should see that all the office machines are in good working order at all times so that wastages are eliminated.

##### **In relation to subordinates**

1. He is responsible to assess the quality of staffing. He should make recommendations for promotions or pay hike. He should also supervise and train staff.
2. He is a liaison between the management and the employee, he should understand his duties towards the office staff and recognize the work performed by the staff. He should take personal interest in them and the work they do.
3. His subordinates consider him as the representative of the management. Hence all their grievances must be redressed immediately, if they fall within his power or else it should be immediately communicated for top management's action.

##### **In relation to associates.**

1. He should cooperate with them fully to fulfill the organizational goals and objectives. He should transfer the staff, if needed, so that work goes on smoothly.



2. He should aim at systems integration. Office procedures and policies should be common for all departments to avoid conflicting aims of different managers.

### **POINTS TO REMEMBER**

- **Meaning :**
  - Office is described as the nerve centre of the entire organisation.
  - Office is the place of transacting business where clerical and administrative functions are carried out to co-ordinate and control the activities of the organisation.
- **Functions of an office :**
  - Basic or routine functions - Receiving, Recording, Arranging, Analyzing and Disseminating information.
  - Supporting or administrative functions - these functions and in the following : Execution of management functions, Development of office systems and routines, Designing of requisite forms, Procurement of office furniture and stationery, Performance of personnel functions, ensuring safety of assets and securing public relations .
- **Importance of office to a business enterprise :**
  - Office is an important segment in any organisation- big or small, government or private and contribute to its efficient and economical functioning.
  - Importance of office arises due to following factors- Its an information centre, channel of communication, aids in co-ordination and managerial control, importance vis-à-vis workers, shareholders and creditors, importance in relation to customers and government and general public.
- **Types of office :**

Front office, Middle office, Electronic or e- office, Virtual office, Back office.
- **Office Manager :**

An office manager is one who performs the function of control and direction of the office. Some of his functional names are- Manager administration, Administrative manager, Commercial manager etc.
- **Position of the office manager:**

Implementation of policies, Influencing morale, neutral link, recruitment, selection and training and public relations.
- **Qualities that make a good office manager :**

Proper education, training and experience, ability to delegate work and organize, leadership and personal qualities.
- **Functions of an office manager :**

Recruitment of staff, training of staff, devising methods of work measurement and compensation, promotion, co-ordinating, controlling stationery and supplies , accounting and costing and secretarial functions.

➤ Duties of office manager :

The office manager has to perform a number of duties in relation to the top management, the subordinates, and the work associates.

### QUESTIONS

#### OBJECTIVE TYPE :

I. Choose the correct answer:

1. \_\_\_\_\_ helps management in taking decisions on policy matters and serves as an evidence of proof in case of disputes.
  - (a) Written records
  - (b) Oral information
  - (c) Collection of information
  - (d) None of the above
2. Systematic arrangement of information in the form of \_\_\_\_\_ enables quick access to the required information and helps in taking meaningful decisions.
  - (a) Statistical statements
  - (b) Sales/purchase reports
  - (c) Charts and diagrams
  - (d) All of the above
3. The new approach which deals with the mechanisation of use, preparation and movement of forms is known as \_\_\_\_\_ approach.
  - (a) Modern Approach
  - (b) Systems Approach
  - (c) Creative Approach
  - (d) Formal Approach
4. The “Middle Office” deals with \_\_\_\_\_.
  - (a) Welcoming guests
  - (b) The financial matters
  - (c) Use of computer technology for office work
  - (d) Tasks pertaining to operating the company
5. Through the office, \_\_\_\_\_ channels of communication are fostered.
  - (a) Upward communication
  - (b) Downward communication
  - (c) Upward and downward communication
  - (d) None of the above
6. The \_\_\_\_\_ management communicates important policies and guidelines.
  - (a) Top level
  - (b) Lower level
  - (c) Middle level
  - (d) All of the above

7. The term \_\_\_\_\_ implies space utilisation and includes professional live communication.
- (a) Back office
  - (b) Front office
  - (c) Virtual office
  - (d) Electronic office
8. \_\_\_\_\_ is a process of finding capable applicants for employment.
- (a) Selection
  - (b) Training
  - (c) Development
  - (d) Recruitment
9. \_\_\_\_\_ helps distribute workload and allows the firm to expand.
- (a) Delegation
  - (b) Decentralization
  - (c) Centralisation
  - (d) None of the above
10. In small organisations, the office manager performs the duties of a \_\_\_\_\_ in addition to an accountant.
- (a) Lawyer
  - (b) Company Secretary
  - (c) Chartered accountant
  - (d) All of the above

**Answers:**

- 1. (a) Written records
- 2. (d) All of the above
- 3. (b) Systems Approach
- 4. (b) The financial matters
- 5. (c) Upward and downward communication
- 6. (a) Top level
- 7. (c) Virtual office
- 8. (d) Recruitment
- 9. (a) Delegation
- 10. (b) Company Secretary

**II Briefly answer the following questions in one or two words.**

- 1. What is the other name for basic functions of an office?
- 2. What are the various management functions? List them.
- 3. What are the two sources by which one can get information for the business?

4. What are the essentials of control?
5. What are the various modes through which personal contact is maintained with customers?
6. What is the other name for “Electronic Office”?
7. Give two examples of “Back Office” tasks.
8. “What office is to business is what the mainspring is to watch.” What does this imply and who gave this comparison?
9. What is leadership in the words of Field Marshall Montgomery?
10. What is the basis of classification of the duties of an office manager?

**Answers :**

1. Routine functions
2. Planning, Organising, Directing and Controlling
3. Internal and external sources
4. Setting standards, measuring performance and correcting deviations
5. Prints, visual and electronic media
6. e-office
7. Operations architecture, accounting and human resources
8. Importance of an office, Dicksee
9. Capacity and will to rally men and women to common purpose.
10. Duties in relation to top management, work, subordinates and associates.

**PART B**

**III. Very short answer:**

**Answer in five lines.**

1. Define office
2. How does the ability to organise contribute towards being a good office manager?
3. How can information be collected in an office? Explain giving examples.
4. How is an office important to its shareholders?
5. List the different types of offices?
6. Who is an office manager?
7. Explain the terms selection and training.
8. What are the various personal qualities to be possessed by an effective office manager?
9. Explain the importance of “Promotion”.
10. Why are training programs essential?

**PART C**

**IV. Short answer.**

**Answer in one page.**

1. What are the supporting functions of an office?
2. What are the duties of an office manager towards his superiors and subordinates?

3. Explain the various functions that are essential and primary to an office?
4. How do different types of offices co- exist in an organisation?
5. Describe the position of an office manager.
6. What are the qualities that make an effective office manager.
7. How is the office useful to various classes of people (i.e.) workers, shareholders, customers and the Government?
8. What are the various functions of an office manager?

#### **PART D**

##### **V. Essay type questions.**

**Answer within three pages.**

1. “No organisation worth its name can exist without an office”. Explain.
2. The functions and duties of an office manager go hand in hand. Explain in detail.
3. Elaborate the major functions of an office.

## 2. MODERN OFFICE APPLIANCES & FURNITURE

### LEARNING OBJECTIVES:

- *To gain awareness about the concept of mechanization.*
- *To know the various factors to be considered in selecting office appliances, furnitures, filing and accessories.*

**Introduction - Meaning of mechanisation - Objects of mechanisation - Merits and demerits of Mechanisation - Factors to be considered in selecting office Appliances - Types of Time & Labour saving devices - Furniture - Principles in selecting the furniture - Types of Furniture - Fittings & Accessories.**

### 1. INTRODUCTION

Office equipment and machines play a vital role in the efficient performance of office work. They are crucial for the accurate and speedy performance of office work by the clerical staff. Office work is mostly indoor desk work, the clerks have to sit in the office for long hours of the day. The work is mostly routine and monotonous in nature. Efficient performance of work is impossible in the absence of the equipment, machines and comfortable working conditions. Appropriate office machines and equipment should be used so that the work can be done efficiently at minimum possible cost. Moreover, better quality equipment not only improves the general efficiency of the office employees but also increases the goodwill of the organization among its visitors. In today's fast paced world, mechanization has come to play a larger role making imperative the selection and use of right type of office machines and equipments.

### 2. MEANING OF MECHANISATION

Office mechanization refers to a process whereby office machines and equipments are introduced in the office with a view to aid administrative process. Office mechanization may take over some of the functions performed by office staff, for example, computer is one such machine which has taken over most of the operations which were earlier performed manually.

A systematic and planned effort to introduce suitable machines for doing office work, hitherto done with hands or simple equipments is known as mechanisation. A big office uses highly sophisticated and expensive machines including computers, while a small office uses less expensive machines such as typewriters, duplicating machines, calculators, etc. Thus, machines have become indispensable for performing office work efficiently.

Modern offices prefer mechanization to improve performance to achieve saving in time and clerical cost, to ensure accuracy and to provide a safeguard against fraud. Work done by machines is neat, clear and results are quickly obtained. The machines are not installed merely to tackle the volume of work but also to bring distinctive improvements in results.

Shifting to machine operations need investments in the form of capital assets like machines, equipments and other accessories. It also calls for additional cost in the form of maintenance and repair of machinery, insurance, premium, the cost of accommodation,

stationery etc. Machines are to be operated by skilled operators where higher emoluments also add to the cost. Highly sophisticated machines like computer need special accommodation and maintenance which also lead to increase in cost. Therefore, the decision to mechanise office operations should be determined by the cost benefit analysis.

### **3. OBJECTS OF MECHANIZATION**

Mechanization in the office refers to a process whereby office machines and equipments are introduced in the office with a view to aid administrative processes. Mechanization in the office has the following objects:

- 1. Labour saving :** Mechanization aims at saving labour. It may either reduce the total wage bill or the same number of employees may perform a larger volume of work.
- 2. Time saving :** Saving in time is another objective of mechanization. The work that would take hours can be done in no time with the aid of machines.
- 3. Accuracy :** Ensuring accuracy is one of the prime objective of mechanisation. The use of machines enable completion of work with accuracy.
- 4. Elimination of monotony :** Repetitive processes are monotonous and office machines aim to eliminate the monotony of these repetitive processes.
- 5. Standardization :** Standardization of work procedures is desirable which can be best achieved with the help of machines.
- 6. Lesser frauds :** Mechanisation also minimises the chances of fraud in office work.
- 7. Storage of facts and data :** Machines like computers store large volume of facts and data for future reference.
- 8. Interpreting facts and data :** Machines, like computers interpret facts and data for decision making and control.

#### **4.1 MERITS OF MECHANISATION**

Mechanization has become an integral part of the modern office administrative process because it offers many advantages :

- 1. Better quality of work :** Machines help to improve the quality of work done in the office. It aids in systematic execution of work.
- 2. Lower operating cost :** Operating cost per hour of work declines with the use of machines. But this requires a large amount of initial capital investment. Long term investment in machines proves to be beneficial in the long-run.
- 3. Greater efficiency :** Machines bring speed and efficiency to all types of office work. The work that may take hours to finish manually may be finished in lesser time. Improved efficiency leads to greater profitability and at the same time creates a good image in the minds of the people associated with the organization.
- 4. Better accuracy :** Machines ensure better accuracy. Chances of errors are eliminated. Thus the work goes on smoothly, bottlenecks and delays are almost reduced.

**5. Facility in control :** Machines facilitate the managers to exercise better degree of control over their subordinates. For example, access card for entry and exit into an office ensures presence of a worker during office hours.

**6. Facilitates standardization of office routines :** Mechanization facilitates standardization of office routines and procedures. This in turn helps in better coordination of work.

**7. Relieves monotony :** Mechanization reduces the monotony of carrying out repetitive processes which are uninteresting and time-consuming. The office worker is thus relieved from undergoing the same process again and again.

#### **4.2 DEMERITS OF MECHANISATION**

The demerits of mechanisation are summarized as follows :

**1. High cost of installation :** Most of the modern office machines require a huge investment. Thus, smaller firms cannot take advantage of many controls.

**2. High cost of operating :** Operating certain types of machines and equipment involves high cost.

**3. High cost of breakdowns :** It is very expensive to repair the machinery in the event of its breakdown which in turn affects the flow of work.

**4. Problem of monotony :** Use of office machine creates a problem of monotony as it is in the case of the production department. The workers are replaced by machines and monotony becomes a problem in the office. The machines may thus restrict initiative and creativeness.

**5. Problem of training office workers :** Office workers must be trained to work on the office machines. In case of use of sophisticated machines, such training is an additional cost to the company.

**6. Hostility of office workers :** Workers are hostile to the introduction of certain types of machines like computers. This has been a very common experience in our country. Thus, the industrial peace may be disturbed to the detriment of the organization.

**7. Under utilization of machines :** Many costly machines are not used everyday but they are used occasionally. Similarly, some machines may be used more continuously during the busy season. However, it is essential that a machine must be used continuously to make it a worthwhile investment.

**8. Lesser flexibility of office system :** Mechanisation of office leads to less flexibility. For example, mechanization of accounting system demands a rigid structure.

**9. Risk of obsolescence :** Many machines have a high degree of obsolescence. The machine and its method may become out of date at a rapid pace. In order to avoid this risk machines having universal application should be purchased.

**10. Surplus staff :** Many machines require trained operators and the absence of them results in accumulation of work. To avoid this situation, training of more than one worker is compulsory.

**11. Dominance of machines :** Workers in an organisation should not become subordinates to machines. Care should be taken to avoid a situation where machines will become more important than the work it produces.



## **5. PRINCIPLES TO BE FOLLOWED IN SELECTING OFFICE APPLIANCES**

Once the need for a machine for a particular operation (or a set of operations) has been determined, the next task is to select right type of machine for the purpose. Since many machines and equipments are available, it would be desirable to be careful in the selection of the most suitable type of machine. Improper selection of machines may prove to be costly and troublesome. It would be worthwhile to keep the following principles in mind while selecting office machines and equipments:

**1. Principle of cost :** The machines and equipments concerned should have the least cost in the given circumstance. The cost of a machine has two aspects - initial cost and operating cost. If a machine is expensive and its operating costs are low, it may be preferred without compromising on the quality.

**2. Principle of quality :** Machines and equipments must be of good quality so that the quality of work performed is of desired standard.

**3. Principle of maximum benefit :** It is necessary for the office machine to give maximum benefit keeping in view the cost.

**4. Principle of suitability :** It is important that the office machines are suitable for the process for which they are bought. They should not be opted for as a mere status symbol.

**5. Principle of adaptability & multiple use :** It would be better to instal machines with multiple uses so that idle time is reduced to the minimum and machines are put to maximum use. Indirectly it means that machines should be light in weight so that they can be easily moved from one place to another.

**6. Principle of standardization :** Purchase of equipments and machines should be standardized as it would result in the following benefits to the organisation:

1. Reduced prices due to larger purchases.
2. Lower maintenance costs due to servicing of fewer makes of machines.
3. Operators can be trained more simply and easily.
4. It is easy to purchase and use office forms to fit a very few make of machines.
5. Computation of depreciation of machines would be easy.
6. It would assist management in measuring the work output of different personnel in the office.

**7. Principle of optimum use :** The machines must be put to maximum use. At the time of purchase, the quantum of use in relation to cost must be determined.

**8. Principle of durability :** A machine must be durable. It should have a long life and also should be free from frequent breakdowns and repairs.

**9. Principle of adequacy :** The machines must be bought in adequate numbers so that each department has the desired number of machines. Constant shifting of machine from one department to another would pose many problems.

**10. Principle of least space occupancy :** It is essential that the machines should occupy the least floor space, desk and shelf spaces. Large and heavy machines often occupy costly space and thus add to the indirect cost of the organization.

## **6. TYPES OF TIME & LABOUR SAVING DEVICES**

The machines used in modern office are too numerous to narrate. These machines are classified into the following categories:

- 1. Instructional machines** - Telephone, mobile phone, inter-communication system and Dictaphone.
- 2. Copying and duplicating machines** - Typewriters, duplicators, addressing machines and Photostat machine.
- 3. Accounting, tabulating and computing machines** - Adding machine, calculating machine, cash register, billing machine, accounting machine, tabulating machine and computer.
- 4. Miscellaneous machines** - Franking machine, impression stamp, time recording machine, pay roll machine, envelope sealing machines, calculators, etc.

### **6.1. Instructional machines**

**1. Telephone :** Every big business house uses a telephone connecting internally and with other organizations. Telephone has become a necessity for modern business houses. With the help of



Fig. 2.1 - Telephone

this facility, a firm can have quick and prompt communication with the external world. Big firms employ trained telephone operators to receive phone calls from outsiders and to connect insiders with outsiders and vice versa.

**2. Mobile phone :** In this rapidly changing world communicating on the move has become a dire necessity. Mobile phones serve this purpose of offering mobility and connectivity to the users,



Fig. 2.2 - Mobile Phone

any time in any part of the world. Further, businesses provide a mobile phone with a Closed User Group (CUG) facility to its employees to enable communication within the group at an economical rate.

**3. Inter communication system (Intercom) :** Intercom system is generally used when sufficient telephone extensions are not possible. Generally intercom equipment has an automatic switch board which allows the extension users to dial other extension users direct. An executive may need to refer to his staff or they may need to refer to each other frequently and quickly.

There are many types of inter-communication equipment which enables contact to be made 'at the flick of a switch'. The simplest inter-communication equipment is one-way which allows only the caller to speak. The caller's microphone can be wired to several points within the building. Systems which allow two-way conversation can be as simple as two telephone instruments with buzzer call. Two-way intercom is valuable time-saver because instant consultation is possible without having to travel between various points in the office.

**4. Dictaphone :** Generally, dictation is given to the stenographer which requires the simultaneous presence of the executive under the stenographer at one place. This may not always be possible



Fig. 2.3 - Dictaphone

due to various reasons. Dictaphone enables the executive to dictate on the machine at his own pace and leave the rest of the job to be done by the typist. This machine is later played on by the typist to transcribe the message on the typewriter.

## **6.2. Copying & duplicating machine**

### **1. Typewriter :**

Typewriter, one of the oldest forms of office machine is still in use in certain offices. The



Fig. 2.4 - Typewriter

typewriters produce text material on a page similar to print. They are of three types electric, automatic and electronic.

**a. Electric typewriters :** Electric typewriters are standard typewriters which work with an electric motor. The touch of fingers set the keys in motion and the impressions are uniformly perfect.

**b. Automatic typewriters :** They are power driven machines that help to reproduce identical copies of the original copy at great speed.



Fig. 2.5 - Automatic Typewriter

**c. Electronic typewriters :** Electronic typewriters are based on the sophisticated micro-processor technology. Every electronic computer has a memory which enables it to remember a



Fig. 2.6 - Electronic typewriter

large volume of information and to type it out automatically at the press of a button.

## 2. Duplicators

Duplicating is a process where by a master copy is prepared from which a large number of

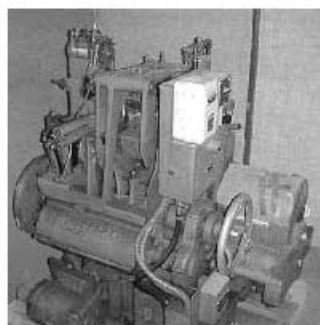


Fig. 2.7 - Duplicator

other copies are obtained with the help of the same duplicator. It is a substitute for printing. There are two types of duplicating machines.

**a. Offset lithograph :** Under this master copy is prepared on thin metal sheets and are used for duplicating on the machines of rotary type and are generated by power at high speed. This process

is recommended where long runs of many thousands of copies are required for line drawings and reproduction on any kind of paper.

**b. Typeset duplicator :** These duplicators are again printing machines which are very similar to those used by professional printers. The process of setting up the type is slow and a skilled one. Once the matter to be printed has been set up, long runs of high quality works are possible. It is particularly suitable for

- very long runs
- printing on cards
- reproduction of facsimile type written matter.

**c. Photographic duplicators :** This method can also be used whenever an exact copy of any document is required. In this photography of the document is first taken through a camera. The produced copies are soon developed and dried, which are ready for use. Photostat machines are used for photographic reproduction of letters, maps, drawing, deeds, contracts, orders, invoices, etc in different sizes and colour.

#### DO YOU KNOW?

##### HISTORY OF FAX MACHINE

The first fax machine was invented by Scottish mechanic and inventor Alexander Bain. In 1843, Alexander Bain received a British patent for "improvements in producing and regulating electric currents and improvements in timepieces and in electric printing and signal telegraphs", in layman's term is a fax machine.

##### d. Addressing machine

It is used for a much wider range of activities such as preparation of invoices, printing of job cards and wage sheets and in any kind of search where information is repetitive. Addressograph



Fig. 2.8 - Addressing Machine

machines may be used for the repetitive printing of the same address. The addresses can be printed at a rate of 1200 per hour. The plates are preserved for future use.

##### e. Photostat machine

It is popularly known as "Xerox" machine taking its name from the company manufacturing this machine. Photocopying machines help in getting exact copies of the original

at a very fast speed. The term xerography means dry pictures. The original document is projected on the coated plate through a lens system. Positive charges disappear in areas charged to light. A pattern of charges is left on the coated plate of exactly the same shape as a dark part of the original document. After this a negatively charged ink powder is dusted over the place which adheres to



Fig. 2.9 - Xerox Machine

the positively charged image. The print is made permanent by exposure to heat. Xerography has become very popular because of its speed and versatility. Copies of diagrams, illustrations, drawings, etc can also be obtained. Exact replica of the original is obtained which eliminates the need for checking.

### **6.3. Accounting tabulating and computing machines**

**1. Adding machines :** Adding machines may be either manually or electrically operated. Most adding machines have a roll of paper on which the figures are typed, and this is known as a “Tally



Fig. 2.10 - Adding Machine

Roll”. It is used for addition and also for multiplication, subtraction and division, both electric and manual.

**ii. Calculating machines :** Calculating machines contribute greatly to business efficiency by eliminating routine and tiring mental work. They contribute to economy in staffing and also increase clerical efficiency. The essence of a calculating machine is that it can perform multiplication and division as well as addition and subtraction operations. It operates at a very fast speed and does not make any noise, but such machines are usually expensive.

**iii. Cash register & coin handling machines :** Cash register is very useful where a machine is required to print a receipt, produce posting slip and sales analysis. This type of machine can

record cash transaction on a tape, produce printed slips and operate the cash drawer. The machine is key set and electrically operated.



Fig. 2.11 - Cash Register



Fig. 2.12 - Coin Handling Machine

Retail stores and Railway booking offices also use coin handling machines which record, sort, store and return coins of different denominations to the customers. They return the correct amount to the customers and all cash receipts are recorded by the machine.

#### 4. Billing machines

Billing machines are used to prepare invoices, bills of lading, cash memo, etc. The machine



Fig. 2.13 - Billing Machine

makes all calculations of discounts, commission, addition, subtraction, total, etc. Papers and carbons are fed into the machine and set automatically.

#### 5. Accounting machines

Accounting and book keeping machines may well be compared with typewriters. These machines are used for,

- posting in journals, cash book, ledger, etc.
- preparation of cheques, pay rolls, cash receipt and payment sheet
- preparation of copies of ledger accounts along with posting
- calculating and computing figures and drawing ledgers or cash book balances

#### 6. Tabulating machines

These are combinations of adding machines and sorting devices and they involve two processes sorting information into classes and adding up the total of cash class. For tabulating statistical information by the machine, the cards are punched using punched card machine, sorted, tabulated and printed on paper in columns and rows. If in an office a large amount of information is to be handled daily, automatic tabulating and sorting machines can be used.

## 7. Electronic computer

It is the latest addition to the long list of office machines. It is a general purpose machine with the capability of performing most clerical operations at high speed. It is an electronic device by



Fig. 2.14 - Electronic Computer

which data is processed electronically at great speed. It can handle whole system of operations; change automatically from one operation to another in a desired sequence and even select alternative courses of action on the basis of the data received and the result of previous operations. An electronic computer is a replica of human brain. It minimizes the chances of error and leads to an integrated approach for various system of operation in the organization. It may be noted when the computers are used for data processing, the processes is known as Electronic Data Processing (EDP).

There are two kinds of computers; a. analog computer and b. digital computer. Analog computers are used for scientific and research data processing. Digital computers are used for calculating the data in one billionth of a second.

### a. Functions of a computer

A computer performs the following functions:

1. It receives programmes of instructions, stores them in the memory and uses them when instructed.
2. It performs arithmetical calculations.
3. It serves as a store house of information. It provides information when required.
4. It arranges information in the desired sequence.
5. It helps in evaluating various courses of action.
6. It applies checks to the data fed into the computer. It points out inconsistency in the data, if any.

### b. Advantages of computer

1. Computers can store a large volume of information.
2. Data is processed at a very high speed.
3. Computers relieve clerical staff from the routine and monotonous job.
4. Computers help indirect savings by having its application to inventory control, stock evaluation, etc.



5. Computers help in coordination and assimilation data for the whole business for instance, it can easily reveal stock position of various branches of an organization.
6. Computer helps in taking managerial decisions by evaluating various courses of action.

**c. Disadvantages of a computer**

1. The installation of a computer often requires preparatory work regarding configuration, number of machines, networking, etc.
2. It is a costly device to install and maintain. It can be used only by big organizations.
3. Trained personnel are required to operate the computer. Thus labour cost is increased.
4. Maintenance cost of a computer is very high. Any break down of a computer would completely dislocate the office work.
5. The installation of a computer is generally resisted by the employees because they feel that it will lead to replacement of human labour.

Computers have gained popularity with big industrial undertakings and government departments like railways and police. They are also used in educational institutions, research institutions and airlines. They can be used for the preparation of schedules for controlling traffic, for preparing pay rolls, for carrying on stock control, for keeping up to date records, for making calculations of insurance and for many other jobs.

**6.4. Miscellaneous machines**

**1. Franking machines :** Franking machine is used in large offices for affixing postage stamps on envelopes. In offices where thousands of outgoing envelopes have to be stamped each day, these



Fig. 2.15 - Franking Machine

machines are very useful. The outgoing mail is inserted in the machine and a handle is operated either manually or electrically. Franking machine automatically prints in a franking design comprising the postal charge and the date of posting in bright red ink. It has a meter which records the amount and balance on hand.

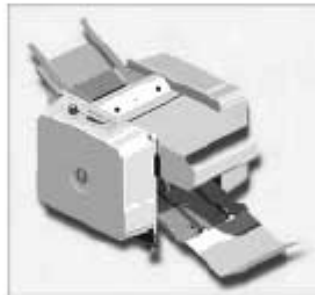
**2. Impression stamps :** These include rubber stamps bearing certain impressions like “paid”, “delivered”, “checked”, etc. Stamps bearing date with time and numbering devices also fall under this category.

**3. Time recording machines :** This popular machine is used for recording the accurate time of arrival and departure of the office employees in offices and factories.



**Fig. 2.16 - Time Recording Machine**

**4. Pay roll machines :** It is used for making the pay roll of the employees, calculating the amount to be paid to each employee.



**Fig. 2.17 - Pay Roll Machine**

**5. Slide rule :** It is a type of scale which is used to make different calculations rapidly and accurately.

**6. Punching machine :** This is a small apparatus which punches holes on papers. The holes are required to tag and fasten the papers. It is operated manually.



**Fig. 2.18 - Punching Machine**

**7. Stapler :** It is a small machine which binds together a few papers with a small piece of thin wire. It is very commonly used in small offices.



**Fig. 2.19 - Stapler**

**8. Calculators :** A variety of calculators are available in the market. They contribute to efficiency and remove the tediousness of calculation. They are useful for multiplication, division, addition and subtraction, calculation of discount, interest, wages, etc. Calculators help to reduce human labour in arithmetical calculations.

**9. Envelope sealing machine :** This is a machine which automatically seals the envelopes. It will dampen the gummed flaps of the envelopes; thus sealing of the envelopes becomes very easy.



Fig. 2.20 - Envelope sealing machine

## 7. FURNITURE

Office furniture is necessarily a part of total environment in which the employees work. It can be described as a basic facility with which an employee identifies himself. Right kind of furniture must be provided so as to provide maximum comfort to the employee, reduce fatigue and keep health hazards to the minimum. The number and type of furniture to be purchased for any office will depend on the number of departments and office workers, the nature and volume of work to be performed and the office space available for their accommodation.

The choice between the wooden furniture and metallic furniture will largely depend upon the following factors

1. Amount of investment
2. Mobility
3. Safety against fire
4. Ease of maintenance
5. Design
6. Durability
7. Space occupied, etc.

### 7.1. Principles in selecting the furniture

Following are the factors to be considered in selecting office furniture:

**i. Funds :** The amount of funds available determines the kind of furniture to be purchased; but at the same time it would be essential to keep in mind the most suitable type of furniture.

**ii. Durability :** It is an important factor. Steel furniture, which is becoming quite popular in modern offices, is more long lasting than the wooden furniture.

**iii. Saving in space :** Decisions regarding choice of furniture should depend upon the space available in the office and the number of persons working there.

**4. Comfort :** Furniture offering comfort must be chosen. This adds to speed and better morale of the employees.

**5. Appearance :** Good appearance of furniture improve the ambience of the office. Thus furniture should not only be functional but it should also have a pleasing appearance.

**6. Hygiene :** The ease of cleaning furniture or space underneath is a problem to be considered at the time of its choice.

**7. Finish :** Glossy surfaces should be avoided because they create glares and thus increase the tension.

**8. Saving in labour :** Economy in working is an important function of office furniture. Certain furniture has built-in units for storage that save movement and walking about by the employees. Preference should be given for such kind of furniture.

**9. Multipurpose or adaptable :** The furniture to be selected must be adaptable to different uses in the office. This permits standardisation in the purchase of multipurpose desks and enables office workers to perform more than one type of work with the help of the same kind of furniture

## 7.2. TYPES OF FURNITURE

Every office requires different types of furniture. Furniture can be classified on the basis of its physical appearance like chairs, desk, etc. Another classification is on the basis of the purpose for which it is used e.g. Executive furniture, Special purpose furniture, Built-in furniture and General clerical furniture

**1. Desk :** The performance of an office employee is very much influenced by the type of desk he uses. Therefore, a suitable type of desk should be provided to the employees. The primary function of any desk is to provide a suitable surface for writing, checking, sorting and examining. As far as possible, the desks selected for office should have a multi-purpose use. There are different types of desks for different persons depending upon the nature of work and status- i) Executive desk ii) General Purpose desk and iii) Computer desk.

**a. Executive desk:** These are designed to suit individual tastes and quite often they are designed as a showpiece of an organisation. Their purpose is also to impress visitors.



Fig. 2.21 - Executive Desk

Executive desks are generally double pedestal. Sharp edges and corners are eliminated. Table top is covered with a sheet of glass.

- b. General purpose desk:** It is a general purpose single pedestal desk with less elaborate design.



Fig. 2.22 - General Purpose Desk

- c. Computer desk:** Computer desks are generally standard flat-topped, single or double pedestal desk with provision for placing keyboard.



Fig. 2.23 - Computer Desk

There are numerous devices which may be incorporated in the desks. The office manager may choose any of the devices depending upon the requirements of the office and convenience of the staff. While placing an order for office desks, the office manager should consider carefully the design of the desk, weight, size, depth, storage space, special needs of the job and the status of the employee who is going to use it.

## 2. Tables

Tables are generally needed for sorting of mail despatch, temporary housing of files, registers and file trays, for holding meeting of committees, etc. However, in some office table



Fig. 2.24 - An ideal table

fitted with drawers and other devices are still used by clerks for writing purpose. Most of these are of conventional dimensions.

### 3. Chairs

The types of the chairs which are in use in modern office are revolving chairs, saddle-seat chairs and computer operator chairs. There is a need for providing the right type of chairs to the



Fig. 2.25 - Different kinds of chairs

office employees as they spend most part of the day in the office. If the chairs are uncomfortable, they cause physical strain and fatigue to the staff and consequently, reduce their efficiency. The height of the chair, angle of the back rest and the shape of the seat should be such that the person using it should be in a position to sit in a correct posture comfortably without any physical strain or discomfort. Chairs meant for computer operators should have adjustable back rest to enable the user to perform their work efficiently.

### 8. FITTINGS AND ACCESSORIES

Generally office fittings include desk lamp, telephone stand, waste paper basket, shredding machines, etc. When choosing or selecting such items, their colour may be considered, because the colour of these must not ruin the pleasing atmosphere of the office. Clerks should be provided with certain accessories in order to perform their work efficiently. Such items may be pen holders, sorting trays, boxes, cabinets, etc.

#### POINTS TO REMEMBER:

- Introduction:
  - Office Equipment and machines play a vital role in the efficient performance of office work.
  - Efficient performance of work is not possible in the absence of the equipment, machines and comfortable working conditions.
- Meaning of Mechanisation:
  - Office Mechanisation refers to a process whereby office machines and equipments are introduced in the office with a view to aid administrative process.
  - Modern offices prefer Mechanisation to improve performance and to provide safeguard against fraud.

- Objectives of Mechanisation:
  - Mechanisation in the office has the following objectives- Labour saving, time saving, accuracy, elimination of monotony, standardization, lesser frauds, storage of facts and data, interpreting facts and data.
- Merits of Mechanisation:
  - Better quality of work, lower operating cost, greater efficiency, better accuracy, facility in control, facilitates standardization of office routines, relieves monotony.
- Demerits of Mechanisation:
  - High cost of installation, cost of operating and breakdowns, problems of monotony, training office workers, hostility of office workers, under-utilization of machines, lesser flexibility of office system, risk of obsolescence, surplus staff, domination of machines.
- Factors to be considered in selecting office appliances:
- Types of time and labour saving device:
  - The machines used in modern office are classified into the following categories:
    - Instructional machines E.g. : Mobile, Telephone
    - Copying and duplicating machines
    - Accounting, tabulating and computing machines
    - Miscellaneous machine : Franking machine, Time - record machine, pay roll machine, envelope, sealing machines
- Furniture :
 

Office furniture is necessarily a part of total environment in which the employees work.
- Factors to be considered while choosing furniture:
 

Funds, durability, saving in space, comfort, appearance, hygiene, finish, saving in labour, multi purpose or adaptable.
- Types of furniture :
 

Desk, table, chairs, fittings and accessories.

## QUESTIONS

### OBJECTIVE TYPE :

- 1 I. Choose the correct answer:** (1 x 10 = 10)
- (1) What does modern offices prefer, to ensure accuracy and to provide a safeguard against fraud?
- (a) Investment
  - (b) Administration
  - (c) Mechanisation
  - (d) Employees

- (2) What is a Dictaphone?  
(a) Instructional machine  
(b) Duplicating machine  
(c) Computing machine  
(d) Miscellaneous Machine
- (3) Which computers are used for scientific and research data processing?  
(a) Digital computers  
(b) Analog computers  
(c) Main-frame computer  
(d) super computer
- (4) Which duplicator is suitable for reproduction of facsimile type written matter?  
(a) Photographic duplicators  
(b) Offset lithograph  
(c) Stencil duplicating  
(d) Typeset duplicators
- (5) The term Xerography means -----pictures.  
(a) Dry  
(b) Grid  
(c) Faulty  
(d) Printed
- (6) What enables contact to be made 'at the flick of a switch'?  
(a) Electronic typewriters  
(b) Photostat machine  
(c) Digital computer  
(d) Inter-communication equipment
- (7) The decision to mechanise office operations should be determined by-----  
considerations.  
(a) Material  
(b) Manual  
(c) Cost  
(d) Result-oriented
- (8) What is the substitute for printing?  
(a) Automating  
(b) Computing  
(c) Duplicating  
(d) Typewriting



- (9) Most adding machines have a role of paper on which the figures are typed. This is known as -----
- (a) Offset litho printing
  - (b) Tally roll
  - (c) Graphotype
  - (d) Slide rule
- (10) Which machine is used for affixing postage stamps on envelope?
- (a) Franking machine
  - (b) Addressing machine
  - (c) Duplicating machine
  - (d) Tabulating machine

### ANSWERS

- 1. (c) Mechanisation
- 2. (a) Instructional machine
- 3. (b) Analog computers
- 4. (d) Typeset duplicators
- 5. (a) Dry
- 6. (d) Inter-communication equipment
- 7. (c) Cost
- 8. (c) Duplicating
- 9. (b) Tally roll
- 10. (a) Franking machine

### II. Write the answer in one or two words:

(1 x 10 = 10)

- 1) What signifies progress and acts as a status symbol?
- 2) Give an example for copy and duplicating machine.
- 3) Which duplicator is known as gelatine duplicator?
- 4) Which type of machine can record cash transactions on a tape, produce printed slips and operate cash drawer?
- 5) What are the two kinds of computers?
- 6) What is used for imprinting the specimen signature of the drawer on large numbers simultaneously?
- 7) Write any two objects of mechanisation?
- 8) Write any one benefit of standardisation to the organisation.
- 9) When the computers are used for data processing, the process is known as?
- 10) Which method of duplicating employs a coated fibre sheet?

## **Answers**

- 1) Automating office work (automation)
- 2) Typewriters
- 3) Spirit duplicator
- 4) Cash registers
- 5) Analog and digital
- 6) Tod cheque signer
- 7) Accuracy and standardisation
- 8) Lower prices (due to larger purchases)
- 9) Electronic data processing (EDP)
- 10) Stencil duplicating

## **PART B**

### **III. VERY SHORT ANSWER**

**(4 marks)**

**Answer in five lines.**

- 1) Define mechanisation.
- 2) What is a dictaphone?
- 3) Write any 2 advantages and disadvantages of addressing machine.
- 4) What are the functions of computers?
- 5) Write the uses of Franking Machine.
- 6) State the types of time and labour saving device.
- 7) What is a typewriter? Bring out the various types.
- 8) Explain any two types of duplicators.
- 9) Explain xerography.
- 10) What is tabulating machines?

## **PART C**

### **IV. SHORT ANSWER**

**(10 marks)**

**Answer in one page.**

- 1) Explain the various types of miscellaneous machine.
- 2) What is the need for automation?
- 3) Explain the objects of mechanisation.
- 4) What is an electronic computer? Write its functions.
- 5) What are the advantages and disadvantages of using Dictaphone?
- 6) What are the advantages of mechanisation?
- 7) Explain Coin handling, Billing and Accounting machines.
- 8) Explain the functions of Photostat Machine.
- 9) Explain the functions of a duplicator with its types (any 4)

## **PART-D**

### **V. Essay type Questions.**

**(20 marks)**

**Answer within 3 pages.**

- 1) Explain the advantages and disadvantages of mechanisation.
- 2) Explain the principles of office machines and equipment selection
- 3) Describe in brief the types of time and labour saving devices.
- 4) Bring out in detail the functions, advantages and disadvantages of computers.
- 5) What is automation? Why is it needed?
- 6) Describe the team mechanisation and bring out its objectives.
- 7) Analyse in detail the function of typewriters and duplicators.
- 8) Explain the function of Instructional Machines.

### **ACTIVITY**

Divide yourself into groups of 5. Make a list of 10 office appliances and conduct a survey contacting at least 10 office-goers and ask them to rank the appliance on the basis of usage.

### 3. OFFICE ACCOMMODATION AND LAYOUT

#### LEARNING OBJECTIVES:

- To understand the criteria to be considered for selecting the office location.
- To device an understanding of an ideal size, shape, and layout of an office.

**Introduction - Accommodation requirements - Factors to be considered while selecting office accommodation - Office space planning or office layout - Importance - Objectives of office space planning or Layout - Principles of office Layout - Systems approach to office layout - Open office - Private office - Office environment - Noise - Ventilation - Cleanliness - Fire protection.**

#### INTRODUCTION

The central objective of all management processes is to get the work done willingly at the lowest cost through proper selection of staff and machines and the equipment that they use. The efforts of the best worker with the best kind of equipment would not produce the desired results unless the environment is congenial to efficient working. Choice and utilization of accommodation is fundamental to the subsequent success of the office services function for the main reason that people can do their best work only if they are given the best facilities for the job they have to do. The first pre-requisite is suitable accommodation which is not always easy to find.

#### 1. ACCOMMODATION REQUIREMENTS

Before setting out to find or view property, the manager has to prepare a check list of the requirements to be considered for deciding on the suitability of the particular building. Naturally,

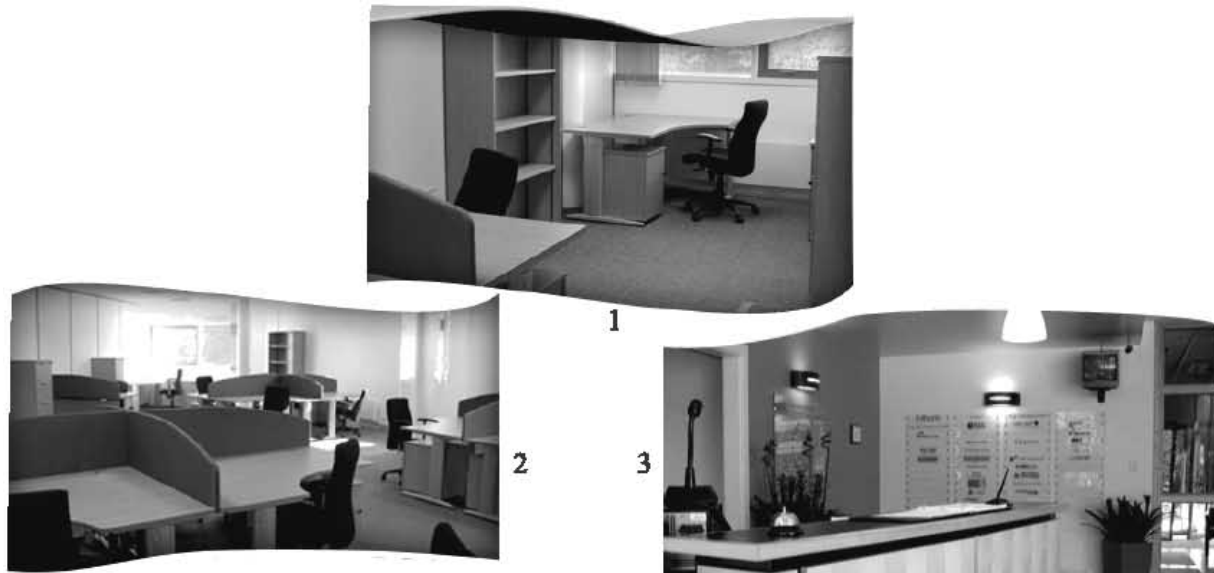


Fig. 3.1 - Types of office accommodation

each business, department or office has its own special requirements. When the check list has been prepared the points should be allocated in priority order. For example; essential, desirable,

useful. Consultation with subordinates gives them a feeling of involvement, helps in determining priorities, and ensures that existing inadequacies are prevented from recurring.

## **2. FACTORS TO BE CONSIDERED WHILE SELECTING OFFICE ACCOMMODATION**

Following factors are to be considered in providing the right type of office accommodation.

1. Locating the office building
2. Securing the required office accommodation
3. Size of office accommodation
4. Shape of office accommodation
5. Lighting and ventilation of the space
6. Layout and facilities for office organization
7. Customer and staff convenience
8. Cost of office space or accommodation
9. Miscellaneous considerations.

### **2.1. Locating the office building**

It is necessary to locate the office building properly. A bad location destroys efficiency as it results in loss of time and causes inconvenience and annoyance to the office worker as well as the outsiders who deal with the organization. Each organization whether business or non-business has to select its own site (urban/suburban) by taking into account the various factors that affect its functioning.

#### **A. Choice of Location : Urban Vs Suburban**

The management has to take up major decision as to whether the location of the office is to be in an urban area (or a large city or town) or in a suburban area. There has been an increasing



**Fig. 3.2 - Office in urban location**



**Fig. 3.3 - Office in suburban location**

tendency to locate offices away from urban concentrations to suburban areas. The reasons for such a tendency are

1. **Higher Cost :** Per square meter cost of office site is costlier in urban areas than suburbs.
2. **Over - Crowding and Congestion :** Urban centres are over-crowded creating heavy demand for little space available.

3. **Growing Transport and Communication Facilities :** The growth of modern means of transport and communication has facilitated the growth of suburbs where office buildings can be located.
4. **Shift in industrial activity :** There has been a physical shift of industry from urban to suburban (or even rural) areas. This also means that some part of the office must go to the suburbs along with the manufacturing unit.

### B. Centralized versus decentralized location

Large concerns, which had traditionally operated from a single central location, are now following the pattern of setting up branches in different parts of the country. They are doing so to take advantage of factors like local raw materials, labour supply, regional markets, transport economies and such other factors. While deciding their functioning some of the concerns (like Hindustan machine tools-HMT) have tried to keep each plant small enough for convenient administration and for closer labour management relations.

### C. Factors determining office location

Once a decision has been made as to urban or suburban location, it would be desirable to consider the following factors for choosing the office building.

1. **Availability of means of transport :** Office should be so located that efficient means of transport are available to the staff as well as to the customers to ensure its smooth functioning.



Fig. 3.4 - Transportation facilities

Location near a railway station, bus-terminal or airport is of great advantage to certain types of business.

2. **Availability of Various Service Facilities :** Service facilities as bank, insurance



Fig. 3.5 - Bank



Fig. 3.6 - Restaurant

companies, post offices, road transport company offices, retail stores and restaurants ensure greater efficiency of the business since they are to be used by the staff as well as the business.



### **Advantages of own building**

1. The building can be planned on the basis of present and possible future needs. Thus best possible use of accommodation can be made.
2. Own building lends prestige to the organization and enhances its credit worthiness besides improving its image in the eyes of the customers.
3. Own building adds permanence and the address need not be changed again and again due to growing needs of the business .

### **Drawbacks of own building**

- (i) Own building may require huge investment which may not be within the easy reach of small or medium sized businesses.
- (ii) High cost of maintenance and other expenses like payment of taxes add to the burden of the owner.

### **B. Lease building vs rental building**

Accommodation of office can also be leased. The criteria for opting leased premises are:



Fig. 3.8 - Lease Building

1. suitability to the buyers
2. lease rent
3. terms of lease
4. availability of funds

### **C. Factors in considering rental accommodation**

**(i) No investment decision responsibility :** There is no responsibility pertaining to the managerial decision about investment in building, its benefits and monetary etc. This saves the management from the possible bad judgment and its consequences.

**(ii) No maintenance responsibility :** The management is not burdened with the responsibility of its maintenance. It also becomes free from problems like payment of taxes and settlement of disputes with tenants.

**(iii) Ease in location change :** Change in location of the office can be done with great ease. Whenever the office location needs a change, another building in some other better location can be taken on rent. In essence, there is greater flexibility in terms of location.



### **2.3. Size of office accommodation**

Once the decision as to whether the office space is to be owned/leased/rented, the next step is deciding upon the size of the office accommodation to suit the present needs. However it is



**Fig. 3.9 - An ideal office accommodation**

desirable to make provisions for future expansion. Each business will have to work out its own requirements on the basis of nature and needs of the organization.

### **2.4. Shape of office accommodation**

Shape of office accommodation is an important factor since it affects the efficiency of the personnel. The shape of the accommodation may be square, rectangular, I-shaped, narrow and



**Fig. 3.10 - Different shapes of office accommodation**

long, vertical or horizontal. Other things being equal, rectangular shape of the office is ideal. It ensures better utilization of office accommodation and greater efficiency of the personnel as they move over a limited area.

### **2.5. Lighting and ventilation of the space :**

Adequate and proper lighting and ventilation of the office building or space is of great importance since this has an important effect on the efficiency and morale. A well lighted and ventilated accommodation offers lesser physical and mental strain on the office worker and consequently his morale is higher. Doors, windows and ventilators must be provided in adequate numbers in the building to ensure free flow of air and enough natural light. If the building faces south (or even southeast, southwest, east or west) natural light would enter the building in sufficient measure.



Fig. 3.11 - A well lit and ventilated office

### **Importance of adequate and suitable lighting**

Inadequate and improper lighting causes bad eye strain and tiredness to workers.

The following general principles govern artificial lighting in an office:

1. The light must be sufficient but not too strong.
2. There should be no dark shadows cast.
3. The lighting system should be efficient i.e., it should be economical.
4. The appearance of lighting should be good when both lit and unlit.
5. It should be possible to increase or decrease the light as required.
6. The walls should be decorated in light shades to give maximum reflections.
7. Furniture with light finishes should be chosen.
8. Blue, green and grey paper and cards should not be used.

In most modern offices the cold cathode tube light is found. Eye sight is a very precious attribute to every human being to personal life as well as work. Workers are entitled to lighting conditions which cause minimum eye strain.

Optimum use of light can be made by adopting the following measures:

1. Minor alterations to increase effectiveness of existing windows
2. use of external reflectors
3. better color schemes
4. rearrangement of furniture

## 2.6. Layout and facilities for office organization

Modern business rests not only on its personnel and equipment but also how they are arranged. Much of the efficiency of men and machines in the modern office depends upon their

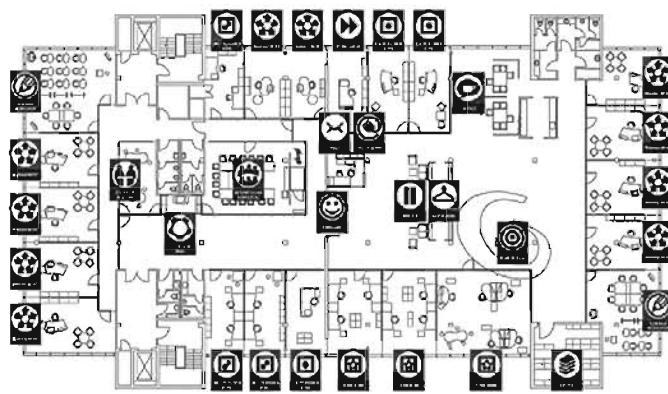


Fig. 3.12 - Office layout

layout. In the modern office internal arrangement must take place on the basis of office systems and structure of organizations. The size, shape and number of rooms, corridors and other arrangements should be made based on the location of the departments and the layout of the office. The departments may be situated on the same floor.

## 2.7. Customer and staff convenience

Customer and staff convenience plays a vital role in the construction of office accommodation. Departments such as sales and cash which are visited more frequently by customers should have an easy accessibility. Departments that have contact with outsiders should be located in such a way to enable easy access. There should be adequate provision of canteens, washrooms, cloakrooms, water points, etc. There should be proper provision for elevators or lifts for the convenience of visitors and staff wherever necessary.

## 2.8. Cost of office space or accommodation

Cost is one of the most important factor that ultimately determines the choice of the office building. The cost of office accommodation is influenced by location as well as its size and internal arrangements. The management should aim at striking a balance between the total requirements and the capacity to pay for office space. However the cost of space should be within the means of the business, but at the same time efficiency cannot be sacrificed for economy in cost.

## 2.9. Miscellaneous considerations

Other factors which need to be considered include flexibility of the space to match the changing needs of business, ease in installing machines and equipments, safety of the machines and equipment and safety of the personnel in the office.

## 3. OFFICE SPACE PLANNING OR OFFICE LAYOUT

After deciding upon the office space, office layout is one of the most important task of office management. It can be defined as “the arrangement of all physical components within the

available floor space to provide maximum effectiveness and the coordination of these components into an efficient and attractive unity".In other words it is the arrangement of different departments, equipments and men within a given available floor space to make optimum utilization of space to ensure maximum efficiency of the office. The above said definition of office layout can be explained with the features given below.

1. It is a process of utilising the available space by adopting a complete scientific method
2. It will create a complete office environment.

### **3.1 Importance**

Proper office layout is crucial to efficiency of business. Layout is important to ensure efficiency due to the following factors:

- (i) To ensure proper utilization of floor space
- (ii) To facilitate supervision
- (iii) To facilitate inter - communication
- (iv) To ensure better use of office machines and equipment
- (v) To ensure better comfort and morale of workers
- (vi) To ensure favorable impression on customers and visitors
- (vii) To ensure smooth work flow

#### **DO YOU KNOW?**

The word ergonomics is derived from the Greek words ergon for work and nomos for laws; ergonomics literally means natural laws.

Ergonomics is the optimizing of the experience between human beings, and the designed objects and environments they interact with. According to the Eubios Ethics Institute, it is the relationship of humans with machines, in particular body posture in relation to engineering and includes features such as chair design, tool design, positioning of dials, room layout and computer interface, which correspond to a healthy body form.

### **3.2 Objectives of office space planning or layout**

While office layout is being planned it would be desirable to keep in mind certain objectives. These objectives are the goals which are to be achieved through layout. It's the task of the office manager to define these objectives carefully so that layout achieves maximum efficiency. Before finalizing layout, the office manager would do well to prepare a model plan of the layout on paper with some pieces of colour paper cut to scale representing personnel, machines, and furniture. In office space planning or layout the following objectives must be kept in mind to achieve maximum efficiency:

1. It must ensure effective work flow so that all work proceeds systematically and unhindered.
2. Optimum utilization of space must be ensured.
3. It should provide for maximum scope of supervision at minimum effort on the part of the supervisor. This also ensures discipline.

4. It must allow for the free movement of the office personnel. The staff at work must be able to move about their places of work and machines freely without any hindrance.
5. Best possible working conditions should be provided to the office staff to ensure maximum output.
6. People doing confidential work with high level of concentration should be provided with suitable accommodation.
7. It is necessary to follow functional departmentalization.

#### **4. PRINCIPLES OF OFFICE LAYOUT**

To attain the objectives mentioned above, it is necessary to have a good layout for which the following principles should be observed:

- 1. Principle of flow of work :** Flow of work should be smooth and unhindered. Whether the layout is in a straight line, circle or U-shaped, the movement of people and papers should be minimum.
- 2. Principle of free movement and observation :** The floor space should be ( as far as possible ) free from partitions, columns, etc., so that there is free movement and observation.
- 3. Principle of effective supervision :** The layout should be such that it aids effective supervision.
- 4. Principle of flexibility :** The layout should be such which allows for changes in future because business is not a static entity.
- 5. Principle of morale and loyalty :** Ensuring loyalty of workers especially in large organisations is a must because working groups are social groups. A proper layout of the office can certainly contribute to this aspect through a careful design.
- 6. Principle of balance :** The layout should be balanced and of pleasing appearance. Balancing gives it a sense of responsibility and pleasing appearance of the office attracts more customer and improves the image of the enterprise.
- 7. Principle of maximum utilisation or least cost :** Space should be utilised to the full so that money costs are the lowest. But at the same time each clerk must be given a minimum working space because this increases efficiency and also makes for a healthier staff.
- 8. Principle of equipment placement :** Equipment and filing cabinets should be placed in a way that the filing cabinets and equipment to be used by the staff are conveniently located. The staff should be able to approach them without loss of time or inconvenience.
- 9. Principle of arrangement :** Desks should be arranged in accordance to the standard plan. In this way, not only the office looks more efficient but also supervision becomes easier.
- 10. Principle of good lighting :** While deciding the lay out, it is necessary to provide natural lighting especially, for work requiring greater light. Such work place should be located necessarily closer to the windows.

**11. Principle of good ventilation :** Ventilation in layout plays a significant role. The problem of ventilation is more complex where there is mixed staff of men and women. It may, therefore, be such which serves their individual needs.

**12. Principle of spacing :** It would be necessary to provide gangways between various rows of desks. Their width will be depend upon the number of desks, equipment, etc.,

The above principles must be coordinated to achieve a perfect office layout with the final objective of integrating men, materials and machines for efficient and economic office operations.

## **5. Systems approach to office layout**

The systems approach to office layout begins with an analysis of the flow of documents and the flow of oral communications in the organisation. Once these two types of flows have been properly identified and described, an office layout that permits optimum efficiency in the flow of information can be decided. One of the important features of the systems approach is the open office, which is discussed in the following paragraphs.

### **5.1. Open office versus private office**

While planning office space or lay out of the office, it would be necessary to consider whether the enterprise requires a few open offices; or a large number of small individual offices. In case of an open office the staff is put in a large room or hall instead of separate rooms. Every section or department is allotted a separate space within the hall and sometimes counter-high filing cabinets and shelves are used to demarcate the area of each section or department. However, some private rooms and offices are to be provided for the top managerial personnel and also for work requiring privacy and concentration.

#### **Open office**

Open office is an arrangement where all the sections and employees of an office are put together in a single hall or room and supervised by responsible staff.

#### **Advantages of open office**

Open office offers many advantages over the small individual offices. They are as follows:

- 1. Economical :** Open office is more economical while considering the
  - high rents of office buildings particularly in bigger cities
  - occupation of floor space by walls and partitions.
- 2. Better work and supervision :** Open office encourages better work through better supervision and easier inspection. The worker is under the direct supervision leading to better coordination of work.
- 3. Flexibility :** Changes in the layout can be affected without much difficulty, since every item of furniture and equipment can be moved freely.
- 4. Better communication :** The workers do not face any hindrance like walls or doors and thus communication is more effective than in the private offices. A clerk needs to take only a few

steps to move to another position for consultation, advice and instruction. This leads to smooth flow of work.

**5. Centralisation :** In the open office, stationery stores and filing can be easily centralised for greater ease, efficiency and economy.

**6. Joint use of equipments :** It is possible to have a joint use of office equipment, such as calculators, telephones, photo copiers, etc. This ensures optimum use of equipment and consequent economy.

**7. Economy in lighting, cooling etc. :** Open office also leads to economy in fixed and operating costs of lighting, cooling, air-conditioning, heating, etc.

**8. Smarter look :** The office wears a smarter look to that extent it provides an advertisement for the organisation itself at no additional cost with a greater satisfaction to the customers. The worker also takes pride in the organisation and this enhances morale and work output.

**9. Better lighting and ventilation :** Open office also ensures better lighting and ventilation. Thus the office is a healthy place to work.

**10. Democratic :** An open office is democratic since all grades of staff are on view. Senior staff have to preserve their position by display of efficiency & character.

**11. Easy to Decorate :** An open office is easier to decorate. In fact the staff themselves provide part of the decoration, making it a pleasant place to work in.

### **Drawbacks of the Open Office**

Open offices suffer from many drawbacks, more important of which are listed below:

**1. Absence of Privacy :** Privacy can never be maintained in an open office since everything is done in full view of all the staff.

**2. Untidy & Unbusiness - Like Appearance :** If it is not maintained properly it appears to be untidy, shabby and unbusiness-like. This reflects badly on the morale and efficiency of the office workers.

**3. Impersonal Atmosphere :** In a large open office the atmosphere is impersonal. The worker feels little attachment to his place of work and this may create problems for the management.

**4. Noise :** The efficiency of the worker decreases due to communal noise of all types, of which the telephone is the main offender.

**5. Unhealthy :** Large open office is generally not good even from the point of view of the health of workers. Infectious diseases can be easily passed on from one person to another due to bad ventilation and crowding of workers at one place.

**6. Erosion of Unity :** When a change in layout results in an open-plan office, the morale of the primary working group may be affected. The closely-knit working group of small office would feel that the sense of unity has been eroded.

**7. Congestion :** There is also the danger of employers squeezing too many employees into an office and trying to get too much in economy from joint equipment usage and savings in lighting , cooling, air-conditioning, etc.

**8. Ignores Individual Needs :** The amount of light, heat and cooling needs vary from individual to individual. The open office ignores this aspect which may lead to misunderstanding among the staff.

### **Private office**

Private office refers to separate rooms allotted for officers and section head for doing confidential and important work.

### **Advantages of Private Office**

Advantages of private office are:

1. It gives prestige and importance to the top executive in the organisations.
2. Confidential work and discussion is possible. General privacy is ensured.
3. Concentration of mind on accounting and statistical work is possible. It leads to increased efficiency in their work.
4. Better ventilation is possible and it ensures better health of workers.

### **Disadvantages of Private Office**

The disadvantages of private office are:

1. Much space is wasted for partitions
2. It affects the flow of work
3. More supervisors are needed to watch the work done in office. Thus supervision becomes more costly.
4. It is more expensive to build separate offices.
5. There will be additional expenses to provide adequate light.
6. Cleaning of the office becomes a tedious work.
7. The office layout will be a complicated one.
8. More expensive furniture arrangement is needed than the open office or general office.
9. Extra means of communication are needed for each room.
10. Clerks, messengers have to waste time to see whether the concerned person is there or not in the private room.

Some other forms of layout include cubicle forms, incubators and short term office rentals.

### **5.2 Cubicle farms**

Many companies with a large number of middle-management level workers place workers in cubicle farms, or partitioned rows of spaces with dividers which may or may not reach the ceiling. Each cubicle is provided with a desk, computer, printer and private phone line. A single worker usually occupies a cubicle, however sometimes two or three workers share a single cubicle.



### 5.3 "Hot desk" and incubator office plans

Incubators house a number of workers who may or may not be involved in the same or even related companies or ventures. With a "hot desk" arrangement, two or more workers share office space at different times of the day or on different days of the week. Incubators and "hot desk" arrangements maximize the number of people who can use a given office space.

### 5.4 Short-term office rentals

Another fairly new development are short term office rentals. These rentals range from daily rentals to month-to-month leases and longer terms. Short-term rentals are usually fully equipped, not just with office furniture, but also with internet and fax machines, support staff and voice mail systems. They are available for small businesses and travelling executives. A variation on short-term office rentals are virtual offices, which allow professionals who work from home to establish a professional presence complete with answering service.

## 6. OFFICE ENVIRONMENT

### 6.1. Decoration

Colorful decoration not only adds to the appearance of a room, but also has a psychological effect on the people who are working in it. Bright and cheerful colors have a pleasant effect on them resulting in better work. Rooms that receive little sunlight should be decorated in warm colors.

### 6.2. Curtains

Curtains add to the ambience of any office, particularly in executive suites. Apart from the pleasing atmosphere created by curtains they also provide a means of absorbing sound. The



Fig. 3.13 - Curtain types

colours can either blend with the wall decoration or create contrast to add liveliness to the room.

### 6.3. Noise

Noise affects the efficiency of the average office worker. Experiments have proved that noise free atmosphere leads to increased efficiency of workers.



Fig. 3.14 - Noise

The problem of reducing noise is not an easy one for office managers. Hence, it should be given enough attention. Some of the noise in the office are beyond control, but it can be investigated and attempts can be made to minimise its impact.

#### 6.4. External Noise

Careful location of the office building is a first step in preventing noise. Preferably the building should be away from the road and must be separated by a row of trees. In cities with air conditioned offices, extra noise pollution is kept at the minimum.

#### 6.5. Internal Noise

The problem of internal noise are much more within the control of office manager. The building should be so planned that the noisy departments are located away from others. In an office noise is amplified by hard, shiny surfaces of furniture and floors, and is usually a mixture of the ringing of telephones, the noise of office machines, conversation, footsteps and doors slamming.

#### 6.6. Ventilation

Ventilation is one of the most common office problems. Offices with less ventilation turn too hot and stuffy, causing drowsiness resulting in slower and less accurate work. The requirements of good ventilation are that there shall be a constant flow of fresh air to remove staleness without causing drowsiness.

Natural ventilation through windows can be increased by roof ventilators and internal tube ventilators which vent on the outside walls. Artificial ventilation is provided by electric fans and air conditioners.

#### 6.7. Cleanliness

Office accommodation must be kept clean and tidy. A dirty office makes work unpleasant and affects health of workers.

### 7. Fire Precautions

All offices should have sufficient fire safety equipments. It should also adopt certain precautions to safeguard against fire risks. Some of the measures are:



Fig. 3.15 - Fire safety equipments

1. Mark fire exits clearly
2. Train staff to use fire extinguishers.
3. Hold fire drills regularly.
4. Install smoke detectors/ an automatic fire alarm system.
5. Provide ashtrays to avoid placing lighted cigarette stubs in wastepaper baskets.

People generally react well when given good conditions. They will take pride in keeping the place in good order, clean and tidy if they have been consulted and involved in designing the office accommodation, layout and environment. The result will be a group of people willing to work cheerfully with concentration resulting in mutual benefit to the management and the employees.

### **POINTS TO REMEMBER**

- Importance of office accommodation:
  - The central objective of all management process is to get the work done willingly at the lowest cost through proper selection and training of staff and the machines and equipment that they use.
- Accommodation requirements :
  - The manager has to prepare the check list of the requirements which must be considered when deciding on the suitability of the particular building.
- Factors to be considered to provide accommodation:
  - Locating office building, securing the required office accommodation, size of office accommodation, lighting and ventilation of the space, layout and facilities for office organisation, customer and staff convenience, cost of office space or accommodation, miscellaneous consideration.
- Office space planning or office layout:
  - Office layout is the most important task of office management. The layout is important to ensure efficiency due to the following factors-
  - To ensure proper utilization of floor space.
  - To facilitate supervision.
  - To facilitate inter- communication.
  - To ensure better use of office machines and equipment.
  - To ensure better comfort and morale of workers.
  - To ensure favorable impression on customers and visitors.
  - To ensure smooth work flow.
- Objectives of office space planning or layout :
  - It must ensure effective work flow.
  - Optimum utilization of space must be ensured.

- To ensure discipline.
- To obtain maximum output
- People doing confidential work to be provided with suitable accommodation.
- To follow functional departmentalization.
- Principles of office layout
- Principles of - flow of work, free movement and observation, effective supervision, flexibility, morale and loyalty, balance maximum utilization or least cost , equipment placement, arrangement , good lighting, good ventilation and spacing.
- Open office versus private office in case of an open office the the staff is put in a large room instead of separate rooms. Every section or department is allotted a separate space within the hall. However, some private rooms and offices are to be provided for the top managerial personnel and also for work requiring privacy and concentration.
- **Advantages of open office**
- Open office offers many advantages over the small individual offices they are as follows;
- Economy
- Better work and supervision
- Flexibility
- Better communication
- Centralization
- Joint use of equipments
- Economy in lighting, cooling etc
- Smarter look
- Better lighting and ventilation
- Democracy
- Easy to decorate
- **Drawbacks of the open office**
- Open offices suffer from many drawbacks, more important of which are listed below:
- Absence of privacy
- Untidy & unbusiness- like appearance
- Impersonal atmosphere
- Noise
- Unhealthy
- Erosion of unity
- Congestion
- Ignores individual needs



4. Which approach works well for situations in which employees spend a portion of their workday away from their work area?
  - a) Cluster Workstation
  - b) Modular Workstation
  - c) Landscape
  - d) None of the above
5. Product layout is applicable for high-volume ----- operations?
  - a) Simultaneous
  - b) Repetitive
  - c) Decoration
  - d) Productivity
6. The arrangement of office furniture and equipment within the available floor space is called -----
  - a) Accommodation
  - b) Layout
  - c) Furnishing
  - d) Cubicle farms
7. Service businesses that target a particular rich market will have to be located near -----
  - a) Retail establishments
  - b) Customers
  - c) Industrial centers
  - d) Urban area
8. What is the blend of the modular and cluster workstation approach called?
  - a) Cybernetics
  - b) Facility layout
  - c) Open office
  - d) Office landscaping
9. Where do the companies with a large number of middle-management level workers place those workers?
  - a) Incubator office
  - b) Traditional office
  - c) Open-plan office
  - d) Cubicle farms
10. Which is the ideal shape of office accommodation?
  - a) Square
  - b) Rectangular
  - c) I-shaped
  - d) Horizontal

#### **ANSWERS**

1. c) Environment
2. d) Hot-desk
3. b) Computer-Aided design
4. a) Cluster Workstation
5. b) Repetitive
6. b) Layout
7. b) Customers
8. d) Office landscaping
9. d) Cubicle farms
10. b) Rectangular

**II. Write the answers in one or two words**

10 x 1 = 10

1. What is the other term for office space planning?
2. Write any two drawbacks of office accommodation in own building?
3. What begins with an analysis of the flow of documents and the flow of oral communications in the organization?
4. Give any two drawbacks of open office?
5. Name the office that ensures general privacy?
6. What adds to the appearance of a room and also has a psychological effect on the people working in it?
7. Which measure has to be adopted to make optimum use of light?
8. Give any one method by which natural ventilation can be increased.
9. What arrangements maximize the number of people who can use a given office space?
10. The cost of office accommodation is influenced by -----

**ANSWERS**

1. Office layout
2. Huge investment
3. Systems approach to office layout
4. Congestion, Noise
5. Private
6. Colorful decoration
7. Use of external reflectors
8. Roof ventilators
9. Incubators, Hot-desk
10. Location, size

**III. VERY SHORT ANSWERS**

4 marks

**Answer in five lines**

1. Briefly state the importance of office accommodation.
2. Define office layout.
3. What are the benefits of efficient office layout?
4. State the important factors that have to be considered while choosing a location for business.
5. List out the ways to make optimum use of maximum light.
6. State the types of office layout. Explain any two.
7. State the steps in office layout planning. Explain any one step.
8. Write the steps which can be taken to prevent/reduce noise.
9. What are the objectives of office space planning?

10. Write the advantages of lease buildings.
11. What is system approach to office layout?
12. What are the new developments in office layout?

#### **PART - B**

#### **IV. SHORT ANSWER**

10 marks

##### **Answer in one page**

1. What are the factors to be taken into consideration for securing the required office accommodation?
2. Explain the importance of proper office layout.
3. Describe systems approach to office layout.
4. Bring out the importance of adequate and suitable lighting.
5. Write about the fire precaution and preventive measures to be adopted in an office.
6. Explain the types of office layout.
7. Highlight the importance of decoration and furnishing in an office.
8. Describe the problem of noise in an office.
9. Why is ventilation and cleanliness important to an organization?

#### **PART - C**

#### **V. ESSAY TYPE QUESTIONS**

##### **Answer within three pages**

(20 marks)

1. Elaborate the factors to be considered while selecting office accommodation.
2. What are the factors to be considered in the location of an office building?
3. Highlight the principles of office layout.
4. Describe the advantages and disadvantages of open office.
5. Bring out the factors to be considered to provide accommodation.
6. Explain the importance and objectives of office planning and layout.
7. What are the factors to be considered while selecting office site. Describe its benefits?
8. What is systems approach to office layout. Explain the types of office based on this approach.

#### **ACTIVITY**

Draw a suitable office layout listing the factors/criteria considered for the same.



## 4. OFFICE STATIONERIES & SUPPLIES

### LEARNING OBJECTIVES :

- To know the various factors to be considered for selecting stationeries and to manage office supplies
- To understand the various types of forms used in an office.

**Introduction - Need for control of office stationeries and supplies - Factors to be considered for selecting stationery - Organisation and Management of purchases - Purchase procedure - Storage of supplies - Issue of stationery - Forms - Importance - Need - Advantages of using forms - Principles of form Designing - Forms control - Steps in forms control - Factors to considered while designing office forms - Types of form - Form sets - Continuous stationery - Loose leaf ledger.**

### INTRODUCTION

Every office requires a large variety of stationery and other articles in connection with office work. These are often known as 'office supplies' and include items like paper, paper pads, letterheads, carbon, typewriters, ribbons, pens, pencils, erasers, stamp pads, stencils and duplicating paper, writing, stamping and duplicating ink, paper knife, paper fasteners (pins, clips, glue, cello tape, stapler, etc.), tags, rubber bands, sealing wax and so on. In each category of



Fig. 4.2 - Sealing Wax

stationery, several types and qualities of items are often required. Thus, paper may be required for various uses which are as follows:

- (i) Plain sheets for typing, writing, printing etc
- (ii) Manila sheets for rough drafts



Fig. 4.3 - Manila envelopes

- (iii) Letter heads of small, medium and business size
- (iv) Second sheets, i.e., thin sheets for carbon copies
- (v) 'Copy sheets', thin second sheets with the word 'COPY' printed across
- (vi) Stencil and duplicating paper



Fig. 4.4 - Stencil

- (vii) Writing pads



Fig. 4.5 - Writing pad

- (viii) Scratch pads



Fig. 4.6 - Scratch pads

- (ix) Printed forms

Similarly, envelopes of varied sizes are required in the office, e.g., small (3" x 6"), medium (4" x 9" or 4 ½" x 10"), large (5" x 11") and also oversize envelopes which are made of with strong white manila or brown paper, airmail envelopes, etc. Pencils, pens, correcting pens and erasers are part of inevitable requirements of any office.

For smooth and efficient handling of office work it is essential that the selection, procurement, storage and use of stationery should be organized and regulated in a systematic manner. It is only then continuous supply of the right type and quality of articles can be ensured and the cost of office supply can be minimised.

### **DO YOU KNOW?**

#### **MYTHS AND FACTS ABOUT RECYCLED PAPER**

1. It requires more energy to make recycled paper than new paper.
2. If we look at the papermaking process alone, then it does indeed normally take more energy to make paper from waste paper than from pulp because of the extra cleaning involved, but ..... pulp does not grow on trees! If we include all the other energy requirements involved in turning wood chips into pulp, the making of recycled paper leads to energy savings.
3. Making recycled paper is more polluting than making new paper
4. Over the last few years there have been a number of government reports predicting that by the end of this decade (or sooner) we will have run out of available landfill sites, if we continue to dispose of our waste at current rates.
5. There is nothing wrong with using trees - a renewable resource - as a crop for paper.

### **1. Need for Control of Office Stationery and Supplies**

It is necessary to control office stationery and supplies effectively on account of a number of reasons, which are summarized below:

#### **1. Cost**

Stationery and supplies are expensive items. As time passes, items of stationery and supplies are becoming more numerous and are costing more and more to the organisation. In fact, they cost a lot in terms of purchase price, proper storage and proper issue. In some organisations, stationery and supplies have huge budgets. Thus, there is a need for their proper control at all times.

#### **2. Right type of supplies**

It is necessary that the right type of stationeries and supplies should be bought. Bad writing paper, poor carbons, ill-sized envelopes, etc., result in wastage and also leave a poor impression in the minds of the users as well as in the minds of the customers and public at large.

#### **3. Availability**

It is desirable that stationery and supplies are available at all times in adequate quantity. Besides, it would also be essential not to overstock any particular stationery. Over-stocking has

two major drawbacks: first, more storage space is needed, and second, funds of the organisation get blocked unnecessarily.

The reason for inadequate attention given to control of stationery and supplies is that the management is worried more about the obvious cost, like the salaries of the office staff, rent, cost of equipments and machines, etc, thus the cost of supplies is relegated into the background.

### **DO YOU KNOW?**

#### **THE HISTORY ABOUT THE ORIGINATION OF PAPER CLIP.**

Johan Vaaler, a Norwegian inventor with a degree in electronics, science and mathematics, invented the paperclip in 1899. He received a patent for his design from Germany in 1899, since Norway had no patent laws at that time. Johan Vaaler was an employee at a local invention office when he invented the paperclip. He received an American patent in 1901 -- patent abstract "It consists of forming some of spring material, such as a piece of wire, that is bent to a rectangular, triangular, or otherwise shaped hoop, the end parts of which wire piece form members or tongues lying side by side in contrary directions." He was the first person to patent a paperclip design, although other unpatented designs might have existed first.

## **2. FACTORS TO BE CONSIDERED FOR SELECTING STATIONERY**

Purchase and availability of office supplies is the very basis of the smooth functioning of the office. Only supplies of proper quality and grade would allow for efficient work in the office. Whether it be large/medium/small sized organizations purchase of supplies is a very important activity which is based on the following factors:

**1. Discovering sources of supplies :** The first step in purchasing is exploring dependable alternate source of purchase. While selecting the supplier to whom order is to be given for the purchase of office stationery, the purchase department should keep in mind: (i) manufacturing capacities, (ii) reliability of the supplier, (iii) financial condition of the supplier, (iv) the management of the supplying firm, (v) price quoted (vi) quantity for which price quoted is applicable, (vii) terms of payment, (viii) terms of delivery and (ix) specifications to which the products are manufactured.

**2. Purchase at lowest price :** All other factors being the same, the purchase price should be the lowest price at which a particular office stationery is to be purchased. Thus, the supplier from whom the office stationery is purchased should be dependable and capable of supplying office stationery of uniform quality at the right time and at reasonable prices. The purchase officer should keep in mind all the criteria given above in making a choice of a supplier; however, he must not become penny-wise and pound-foolish.

**3. Purchase of correct quantity :** It is necessary to purchase stationery in correct quantities. The maximum level, the minimum level and the re-order level of stock of every item should be determined rationally. Taking into account factors like normal average consumption, the number of days for which supply is to be held in hand and the time needed to obtain supplies (lead time).

Purchase of supplies in correct quantities is necessary due to many reasons, more important of which are: (i) regular flow of supplies ensures smooth functioning of the office and elimination of delays and stoppages of work. (ii) Supplies are to be viewed as something that creates problem of storage. Over-purchase needs more storage space which is an expensive service in the organization. (iii) Over-stocking may render the supplies less useful, e.g., paper may turn yellow and brittle. (iv) Purchasing more than a certain level blocks the capital which is a scarce resource in every enterprise.

**4. Purchase of desired quality of supplies :** It is also essential to buy supplies of the desired quality to ensure smoother functioning, lesser consumption and consequently lesser office overheads. The quality of supplies to be bought are greatly influenced by the purpose for which they are to be used. e.g., even an ordinary type of paper can be used where certain papers are to be retained for a very short period of time.

**5. Purchase at the right time :** The supplies must be bought at the right time. As soon as the minimum level or the reorder level is reached, the order must be placed without loss of time. Buying at the right time is necessary to eliminate delay and consequent loss of work. The time at which certain supplies are to be bought depends upon: (i) reaching the reorder level; (ii) the time that the suppliers usually take to supply and (iii) the possibility of shortage of certain supplies in future, in which case purchasing may have to be done even before the minimum level is reached.

## **2.1 Organisation and Management of Purchases**

### **A. Centralised versus Decentralised Purchasing**

Careful and proper organisation of purchasing is very important for any organization. Office requirements can be purchased in one of the following two ways:

**(i) Centralised purchasing:** In centralised purchasing supplies are bought by the central purchasing department located at one place, usually the head office or registered office of the organisation. In the case of government department, this work is the responsibility of the stationery and printing department. Centralised purchasing is an arrangement in which processes of purchases, i.e, selection, ordering and procurement, etc., are centralized

**(ii) Decentralized purchasing:** Decentralised purchasing is the arrangement in which the processes of purchasing are decentralized. Each branch, each division or each department of the organisation has to make its own arrangement for the purchase of supplies. Each branch, each division each department has its own separate purchase section for the purchase of stationery and supplies. In other words, the authority and responsibility for purchasing is decentralized.

The decision to centralize and decentralize purchasing of stationery and supplies must be taken care after due thought since both the methods of buying offer a number of advantages and disadvantages.

#### **Advantages of Centralised Purchasing :**

**1. Specialist Function :** Centralised purchasing allows the organisation to evaluate various forms of supplies thoroughly and pick up the most reliable product and the source of supply

**2. Lower Cost :** Centralised buying means buying in bulk. Thus, saving in costs are made. Buying in bulk means lower purchase price per unit, availing quantity discounts and saving on freight, insurance, etc.

**3. Better Budgetary Control :** Centralised purchasing allows for better budgetary control since a sole purchasing office supervises the purchase.

**4. Help In Standardisation of forms :** Centralised purchasing also makes it possible to standardize forms, which may prove a greater boon to the organisation

**Disadvantages of Centralised Purchasing :** Centralised purchasing has the following disadvantages:

**1. Greater Costs to the Organisation.** The overhead costs of organising centralized purchases may be very high since separate staff and other facilities will have to be provided for the purpose. Thus, a smaller organisation with scattered departments may find it very costly to have a centralized purchasing department.

**2. Lack of Flexibility :** Centralisation of stationery purchasing lacks flexibility in more than one aspect. Centralisation may result in poor response to urgent requests for supplies. Besides, the quality of supplies may or may not suit the purpose for which they have been purchased because of lack of knowledge of requirements.

**3. Unsuit for Scattered Units :** (Divisions / Branches / Departments). The method may prove to be inadequate where different consuming departments are located wide apart , e.g. in different cities.

**Advantages of Decentralised Purchasing :** Decentralised purchasing has its own advantage. It has flexibility and reduces delays. The exact supplies needed by a department are ordered, directly on the basis of their needs. The purchasing route is, therefore, shortened. It is best suited to organisations with decentralized functioning.

**Disadvantages of Decentralised Purchasing :** The decentralized purchasing suffers from a number of disadvantages. Decentralisation does not allow purchasing to become a specialist function. Besides, the benefits of buying in bulk cannot be enjoyed. In practice, both the methods should be combined to have the best results, wherever possible.

## **B. Management of purchaes**

According to Chhabra, “Management of office supplies means dealing with various aspects of office supplies like setting standards, purchasing, storing, issuing and controlling of supplies”. This definition highlights the important area of office supplies which are:

1. Standardization of supplies
2. Purchase of supplies
3. Storage of supplies
4. Issue of supplies
5. Control over use of supplies

## **1. Standardization of supplies:**

Procurement of various items of office supplies involves a consideration of the purpose for which they are to be used. It is essential to set standards of various items of supplies. Standardization implies fixing the requirements or specifications as to the quality of the items of the office supplies for various purpose. The standards have to be revised from time to time to cope with the changing requirement of the office and changes in the technology.

Standardization of supplies will have the following benefits:

1. It will help the purchase officer to know the exact requirements of the various sections of the office.
2. It will ensure uniformity in the specifications of various items.
3. It will avoid loss which may be caused by the purchase of standard materials.
4. It will help in achieving the economies of bulk purchasing.
5. It will increase the efficiency of office operations.

## **2. Purchase of supplies**

The task of purchasing the office stationery should be centralized with the person known as Purchase officer. The procedure to be followed for the purchase will depend upon the nature of item to be ordered under the quantity required. If the items are required in large quantity, tender may be invited and in other cases direct orders may be placed to the suppliers.

### **2.1 Purchase Procedure**

It is essential to have a scientific procedure for the purchase of stationery and supplies in the office regardless of purchasing being centralised or decentralised. The following procedure may be followed :-

1. purchase requisition
2. calling quotations
3. selecting suppliers
4. placing orders
5. follow up
6. receipt of items
7. maintenance of accounts
8. storage
9. safe guarding

**1. Purchase requisition :** Purchase requisition is a printed form which is generally used as a formal request to the purchasing department. The purchase department receives purchase requisitions from various departments of the organization. Purchase requisition may be written in duplicate, the original being sent to the purchasing department and other to the person being repayment by the person initiating the request.

- 2. Call for quotations :** After the receipt of purchase requisition, the source of stationery and supplies is to be selected. Generally, the purchasing department keeps a list of suppliers for all needed items. The quotation will be called for by keeping in view the benefits to the concern, lowest price, better quality, quick delivery, reliable supplies according to specifications, etc.
- 3. Selection of suppliers :** After receiving the quotations, they are opened at the time prescribed and comparative statement is prepared. Terms and conditions of supply are negotiated with one or more suppliers on a scrutiny of the price lists and the examination of samples. Finally the supplier is selected on the basis of the favorable quotation.
- 4. Placing the order :** After comparing quotations and terms of delivery the actual order is placed with the selected firm in a prescribed form. The order indicates all particulars of the various items, quantity required, the price agreed upon, terms of payment, mode of delivery and delivery date. The order should be signed by the officer of the purchasing section or the office manager.
- 5. Follow up :** Once an order has been placed, it would be proper to follow it up so that supplies are received on time. If there is any irregularity or delay in delivery, reminders must be issued to the supplier. The name of defaulting suppliers should be struck off from the list of suppliers.
- 6. Receipt of stationery :** In large concerns, items are supplied along with the delivery note in duplicate to the customers. As soon as the items are received, the clerk concerned verifies the items with the delivery note. After that, one copy of the delivery note is returned to the supplier.
- 7. Maintenance of accounts :** Credit bill will also be received either along with the delivery of items or after a day or two. After the bill is received, it will be tallied with the items. If the entries relating to the items are correct, then entries are made out in the records in respective pages. If all the items are satisfactory, the bill duly signed by the purchasing officer is sent to the accounts department for further action. Sometimes, goods received notes are prepared by the store keeper instead of passing the bills.
- 8. Storage :** After checking the items and making entries in the books, the items are sent to the stores for storage. The store keeper maintains and issues stores as and when required.
- 9. Safe guarding ;** Different methods and systems are adopted by stores department for safeguarding the stationeries and supplies.

### **3. Storage of supplies**

Under the centralized purchasing, office supplies are purchased in bulk. So, there should be adequate arrangement for the storage of supplies. The central store should be entrusted with the tasks of receiving, storing and issuing of office supplies. The store-room should have adequate shelves, cabinets and bins for different types of office supplies.

The physical arrangement of supplies should be governed by factors such as difficulty of handling, frequency of use, the quantity to be carried, etc. Every item should be easily accessible



and bear clear identification marks or codes. The following guidelines may be followed for the quick location of supplies :

- i. All similar items should be located together,
- ii. Stationery should be classified and codified,
- iii. Items that are requisitioned more frequently should be placed in shelves which are the near the issue counter,
- iv. Bulky packets of stationery should be kept in the lower shelves,
- v. Items of relatively high value should be subjected to a high degree of protection,
- vi. An index of all the items in the store should be prepared indicating the location of each items,
- vii. All receipts and issues should be recorded in the bin cards.

### **Bin card**

Over stocking or under stocking of stationery must be avoided. Therefore, proper records have to be maintained, mainly bin cards. A bin card is maintained for each item of stores. The bin card is debited with the quantity of stores received and credited with the quantity of stores issued to different departments. A balance is also drawn up at every receipt or issue of store, so that the balance of stock at any time is readily available. This card is entered and kept by the store-keeper, who is responsible for any difference between the balance shown by the bin card and physical stock. This means, the balance revealed by the bin cards and physical stock must be the same. The bin card contains proper columns apart from the maximum and minimum quantity level.

### **4. Issue of stationery**

There should be systematic procedure for the issue of stationery to the user in every enterprise. The store-keeper should issue the various items on the basis of requisition from the user. Whenever an item is issued, an entry should be made in the bin card by the store-keeper. The materials should be issued on First In First Out (FIFO) basis in order to eliminate the chances of deterioration in quality of various items of stationery.

### **5. Control over use of stationery and supplies**

In order to exercise control over supplies in storage and use, the following guidelines should be practiced:

1. Stationery should be centrally stored under the control of some responsible person.
2. Stationery should be issued against authorized requisition.
3. Responsibility for the proper use of stationery should be placed on those who sign the requisition.
4. Issue should be made in small lots.
5. There should be periodical checks of the items in the store.
6. Employees should be trained in the use of stationery and supplies. They should be instructed in efficient handling of various items so as to reduce wastage during use.

7. Extravagant use of supply can be reduced by maintaining section wise account of quantity and cost of supplies issued.

### 3. METHODS OF CONTROLLING STATIONERY IN STORES

Control over stationery in the store may be exercised many ways. These include:

- (i) **Fixation of stock levels:** Various levels of stock of stationeries such as minimum level, maximum level, reorder level, etc. must be fixed. These levels are fixed on the basis of past experience, rate of consumption, the time taken for placing an order and arrival of fresh supplies, etc. No material quantity in stores is allowed to exceed the minimum level, and as soon as the reorder level is reached a fresh order is placed so that stock does not get below the minimum level. The fixation of levels therefore ensures that over stocking and under stocking is avoided and fresh order is placed at the correct time.
- (ii) **Two bin system:** The two bin system may be employed to keep some quantity of stock to be used to avoid the stock out position. When the supplies in Bin-A is exhausted, an order for fresh supplies may be placed for its replenishment before the stock in Bin-B is completely used up. Alternatively, the quantity of ordering level may be marked reserved so that when the stock level reaches the marked ordering level an order is placed for fresh supplies.
- (iii) **Stock taking:** There are three methods of stocktaking - perpetual, continuous and periodical. Under perpetual stocktaking, the counting of the quantity is made at the time of receipts and issues. This system may be adopted for costly items of receipts and issues of stores. Under the continuous stock-taking system, a fixed number of items are counted and checked daily so that the whole stock is checked within a fixed period of time. Under the periodic stock-taking system all the items in stock are checked and counted only at the end of the financial year. Any one or a combination of the three methods may be adopted in accordance with a firm's requirements.

### 4. FORMS

“An office form is a printed piece of paper which provides the space for entering records, information or instructions, which are to be conveyed to other individuals, department or enterprises”. In the words of George R. Terry, 'forms are printed sheets of paper or cardboard used to collect and transmit information; that part of information which is always the same is printed, to save the time and effort required to write it each time. Thus, office form entries are recorded under printed titles within the columns specified.

#### 4.1. Importance

Forms are called the raw material for office work. Forms should be impression free and, purposeful. Nearly every office routine is centered around one or more printed forms. Use of too many forms increase the amount of paper work and cost of office operations. In view of the above facts, it is obvious that careful attention should be given to the correct design, proper use and effective control of the forms

## 4.2. Purpose

Forms serve the following purposes:

- (i) They make clear what information must be gathered and communicated.
- (ii) They provide specific location for each item of information needed thus facilitating data entry, processing and reference.
- (iii) They eliminate the need for recopying, standard or repetitive information reducing monotony.
- (iv) They facilitate use of multiple copies, often greatly simplifying procedures as a result.
- (v) They identify the records and facilitate filing and future reference.
- (vi) They facilitate in fixing responsibility.
- (vii) They help in bringing uniformity in office work as the same forms are used for same type of work, time and again.
- (viii) They enable easy and quick reference.

## 4.3. ADVANTAGES OF USING FORMS

The important advantages of using forms are as follows:

**1. Simplify the office procedure:** The office forms simplify the office procedure and help establish a system. They not only reduce the volume of work considerably, but also help in expediting office work.

**2. Saves time:** Office forms eliminate the need for recopying repetitive and standard information, this saves time.

**3. Reduces chances of mistake:** As the information to be collected is already known in advance to the persons handling office forms, the chances of mistakes and errors occurring are considerably reduced.

**4. Preservation of records:** Forms help to preserve records of business for filing and future reference.

**5. Fix individual responsibility:** Generally, forms have a column for the signature of the persons who gather the information at any stage. This helps in fixing individual responsibility.

**6. Aid to planning:** Forms help to preserve records and this aids the organization in better planning.

**7. Better human relations:** Employees are assured of maintaining a proper record of their work, wages, bonus, etc. This builds confidence in the employees about the organization's efforts to protect their interests and this may promote better human relations in the organizations.

**8. Reduce cost of office operations:** The forms by reducing the amount of manual or machine work help in increasing the efficiency and output of each worker. Thus, the use of forms reduce the cost of office operations.

**9. Help in systematic recording of information:** Forms serve as a tool which ensures that all necessary and relevant information is supplied and recorded in a systematic manner.

**10. Better customer service:** By making use of the forms, the records of the customer can be preserved with greater ease. This enables the organization to serve the customers better.

#### 4.4. Principles of Form Designing

Forms must be well-designed if they are to serve the purposes for which they are meant to be. The principle to be followed in designing the office form are:

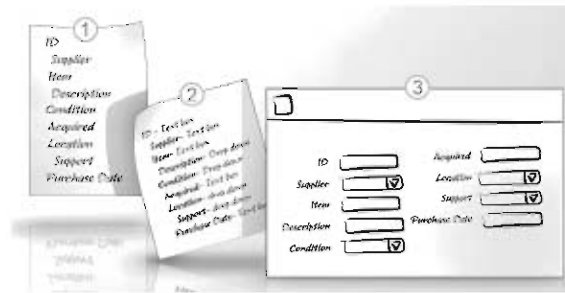


Fig. 4.7 - Form Design

**1. Principle of use:** A form should be developed only if there is a need. Need for a form may arise due to reasons such as

- (i) recording data in a systematic way
- (ii) avoiding the recording of certain data repeatedly,
- (iii) fixing responsibility for the work done.

**2. Principle of standardization:** Standardization of forms reduce the cost and also eliminates chances of confusion. A form may be standardized in respect of (i) the quality of paper, (ii) the number of copies to be printed, (iii) the colour of the paper, (iv) The method of producing it, etc.

**3. Principle of centralized control:** The design, use and replacement of office forms should be centrally controlled by an executive who is responsible for the number of copies, their designs, etc. If this is not done, new forms may continuously get added while old and outdated useless forms may also remain in use resulting in confusion.

**4. Principles of systems integration:** There is also the need to design the forms in such a way that they are harmoniously adjusted to the systems design. This helps in avoiding duplication of the information .

**5. Principle of ease of entry of data:** Form designing should be such that it would facilitate the entry of data in the forms with ease.

**6. Principle of multiple use:** A single form should be used for more than one purpose. This helps in exercising a better control over the forms (due to the smaller number) and economy in their preparation and printing.

**7. Principle of identification:** Form designing should facilitate the identification of the forms with ease. For example, the office manager may select different colors of paper and ink for printing forms according to the purpose for which they are meant.

#### **4.5. Forms Control**

Forms control is a means of exercising management control over the costs of producing and processing forms. The main objectives of form control are:

1. to ensure regular supply of various forms,
2. to have economical use of forms for the firm,
3. to reduce the clerical work,
4. to minimize the use of number of forms,
5. to make necessary changes in the existing forms if they are not satisfactory,
6. to make reviews, whenever needed,
7. to introduce new forms which are really necessary,
8. to retain and use only those that are necessary for office systems,
9. to study whether the introduction of new forms or revision of old forms is essential,
10. to evaluate form design on the basis of time required to use them,
11. to review periodically all forms in use to find out their current utility,
12. to eliminate obsolete and irrelevant forms, to consolidate different forms doing the same task and to introduce only such forms that are really necessary.

The forms that are no longer required should be disposed off after obtaining approval of the officer concerned. The approval will be pasted on the form, in the Form book, marked as “dead”, along with the date.

#### **4.6. Steps in form control**

The following steps help in proper forms control:

##### **1. Establishment of Centralised Authority**

In big organisation the first step in forms control is to set up a centralised authority for it in the name of forms control department with a forms control supervisor.

The important functions of forms control department or committee are:

1. Introduction of new forms
2. Modification of existing forms
3. Elimination of unnecessary forms
4. Combination of two or more forms
5. Deciding the content of forms
6. Designing the production of forms
7. Storing and issue of forms

## **2. Preparation of forms register**

A register should be maintained in which atleast two copies of each and every office form in use must be pasted. A separate list or index of all the forms in the form book should also be made.

## **3. Listing of Office Routine**

The designing and use of forms are closely linked with office procedure and routine. Therefore, it is necessary to prepare a list of all office procedures which may need the use of forms.

## **4. Analysis of forms**

All form should be analysed periodically to determine whether any of them can be eliminated, combined with other forms or improved. At this stage, requisitions for new forms or redesigning of existing forms, alongwith suggestions may also be obtained from departments.

## **5. Design and production**

Designing and production of office forms should result in economy and efficiency of operations. The forms control supervisor will determine the method of printing of forms.

## **6. Disposal of obsolete forms**

Before disposing off any form, the head of the department using such form should be asked to give in writing that the form is obsolete. Thus, the form no longer required, should be disposed off, after obtaining proper approval of the officer concerned.

## **4.7. TYPES OF FORMS**

1. Forms may be classified on the basis of function or operation for which they are used (e.g. purchase form, sales form, correspondence form and accounting form).
2. It may be outside contract forms (i.e. orders, invoices etc.) or internal office forms (i.e. requisition forms, accounting forms and report forms etc.).
3. Forms may also be single copy forms (the single type is used where only the original copy is required, as for example, in the case of an employment application form) and multiple copy forms (such as stub type unit, continuous stub type unit, fan or Z arrangement, and continuous semi trip arrangements). Multiple forms require only one writing, which minimises mistakes, improves department co-ordination and saves time.

## **4.8. Factors to be considered in Form Design**

In addition to the general principles governing form design. The following factors should be borne in mind while designing the forms.

**1. Suitability :** Forms should be designed in such a way that they are suitable for the purpose for which they are meant. The general purpose of a form is to make clerical operations easy.

**2. Ease in use:** The forms should be designed in such a way it is easy to use manually or with machines / computers.

**3. Simplicity:** Simplicity of a form facilitates its use, makes the work of the user easy and allows quick completion. Simplicity implies clear column headings, concise and clear instructions for use and adequate space for numbering.

**4. Size :** It is necessary that the form should be of proper size. The size will, however, depend upon the purpose for which the form is meant. Factors such as wide column description of entries, description to be entered at the top and the space needed for it determine the size of the form.

**5. Title and number:** Every form should have a title and number which should be printed at the top. The title should be short and simple.

**6. Font size and style:** Forms must be printed properly. The font size and style will depend upon the purpose of the form such that the forms can be read with ease. Further, care must be taken to see that the forms have a neat and pleasing look.

**7. Use of proper type of paper:** There is also a need to use proper type of paper. The type of paper to be used would depend upon factors like method of handing, appearance desired, length of period for which the form is to be kept, and the impression desired (or writing, typing or printing).

**8. Ease in punching, scoring and perforation:** It is important that forms should allow for such operations as punching, scoring and perforation. It is, therefore, necessary that the exact specifications should be considered while designing them. If punching is needed for any paper, a hand punch can be used in the office. Scoring signifies printing or inserting a single or dotted line on the form which would facilitate the folding of paper. Perforation is required to enable the user to detach them from the forms book after they are filled up.

#### **4.9. Form sets**

A distinct feature of modern office practice is to type as many allied forms as possible in one operation. Therefore, it is always convenient to use sets of form, so that multiple copies can be made out by a single writing method. There are various ways in which form sets may be constructed. These are:

##### **Loose sheets put together into sets**

The usual practice in this method of constructing form sets is for the office clerk or typist to assemble and jog the forms and carbon paper into place before writing or typing.

##### **Single sheet or paper perforated and folded**

Single sheets or papers perforated that can be folded are used to make duplicate or triplicate form sets. Form sets made in this way give flexibility. Carbon paper is inserted at the time of use.

#### **4.10 Continuous sets**

This type of form sets are also known as Continuous stationery. Continuous stationery is a labour saving device which comprises various forms such as invoices, accounting form etc, printed in continuous strips, made up of a series that comes in multiple copy sets separated from

one another by perforation. With continuous stationery, several copies are obtained by the use of copying methods without going through the process of tearing off forms and inserting carbon papers. Continuous stationery is of the following types:

1. Roll stationery
2. Continuous interfold stationery
3. Carbon backing packs or rolls
4. Fan fold continuous stationery

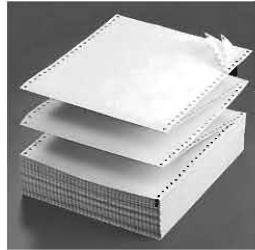


Fig. 4.8 - Fan fold continuous stationery

#### 4.11 ADVANTAGES OF CONTINUOUS STATIONERY

- i. **Saving of time** : Use of continuous stationery in printing eliminates interleaving and alignment of forms.
- ii. **Neat and clean work** : It is accomplished by the use of continuous stationery
- iii. **Reduction of Wastage** : Continuous stationery helps to reduce wastage of stationery since paper is interleaved with carbon and pre set.

#### 4.12 Disadvantages of continuous stationery

- i. It is difficult to make any alteration especially when large numbers of forms are in each set and hence more efficient typist will have to be appointed whose salary may be very high. This is the case with carbon backed forms.
- ii. Continuous stationery is expensive.
- iii. In some cases the last copies are very faint.

#### 4.13 Loose leaf ledger

The loose leaf ledger also known as the perpetual ledger consists of a substantially made cover or binder. This has the means for expanding the back so as to hold a varying number of leaves. A wide margin is provided on the left hand side of each leaf with punched holes by means of which the leaves are bound together in the binder. Varieties of such binder are available in the market. A special feature of this ledger is that it provides a means of locking the ledger, so that a leaf or account cannot be removed or put in without the knowledge of the person in charge of such binder.

A separate sheet is allotted to each account. In the case of large accounts many sheets may be used. The accounts may be arranged and rearranged in any order desired - alphabetical, numerical or geographical. For easy reference index can be used.



#### **4.14 Advantages of loose leaf ledger system**

They are:

1. Dead or closed accounts may be removed at anytime thus keeping only active accounts in the current ledger.
2. The loose leaf ledger is continuous and permanent and it is not necessary to open new ledgers at the commencement of each balancing period.
3. The insertion of new leaves or removal of dead or closed accounts does not affect the order of arranging accounts in the ledger.
4. At the time of balancing, the ledger may be divided between several clerks so that the work of extracting balances may be made quickly. This is not possible in the case of bound ledgers.
5. Transfer binder is used for keeping old records. The order of arrangement of accounts is the same as in the current ledger. Continuous record of each account is thus obtained for the whole period of its existence. This is not possible in the case of bound ledgers and when it is desired to refer to the complete records of an account, several old ledgers will have to be turned up, wherein the record is distributed in widely separated pages.

#### **4.15 Disadvantage of loose leaf ledger system**

1. The leaves may be lost or misplaced unintentionally in which case it would be necessary to rewrite the records from the subsidiary books.
2. The leaves may be intentionally destroyed or substituted with a view to commit some fraud or conceal some fraud already committed.

#### **POINTS TO REMEMBER**

Every office requires a large variety of stationery and other articles in connection with office work. These are often known as office supplies. In each category of stationery, several types and qualities of items are often required.

**Need for control of office stationery and supplies - Cost, right type of supplies and availability.**

#### **Factors to be considered for selecting stationery**

- Discovering sources of supplies
- Purchase at lowest price
- Purchase of correct quantity
- Purchase of desired quality of supplies
- Purchase at the right time

#### **Organisation and management of purchases**

#### **Centralised versus Decentralised purchases**

### **Advantages of centralised purchasing**

1. Specialized function
2. Lower cost
3. Better budgetary control
4. Helps in standardisation of forms

### **Disadvantages of centralised purchasing**

1. Greater cost to the organisation
2. Lack of flexibility
3. Unsuitable for scattered units

### **Advantages of decentralised purchasing**

- It has flexibility and reduces delays
- Purchase procedure is shortened

### **Disadvantages of Decentralised purchasing**

- It does not allow purchasing to become a specialist function.
- Loss of benefits of bulk buying

### **Management of supplies**

It involves

- Standardization of supplies
  - Purchase of supplies
- Purchase procedure for stationery
1. Purchase requisition
  2. Calling quotations
  3. Selecting supplies
  4. Placing orders
  5. Follow up
  6. Receipt of items
  7. Maintenance of accounts
  8. Storage
  9. Safeguarding
- Storage of supplies
  - Issue of stationary
  - Control over use of stationery and supplies

Methods of controlling stationery in stores:

1. fixation of stock levels
2. two bin system
3. stock taking

**Forms** - “An office form is a printed piece of paper which provides a space for entering records, information or instructions, which are to be conveyed to other individual, departments or enterprises”

### **Purpose**

1. clear information
2. specific location
3. reducing monotony
4. simplify procedures
5. future reference
6. fixing responsibility
7. uniformity
8. easy and quick reference

### **Advantages of using forms**

1. simplify the office procedure
2. save time
3. reduce chances of mistake
4. preservation of records
5. fix individual responsibility
6. aid to planning
7. better human relations
8. reduce cost of office operations
9. help in systematic recording of information
10. better customer service

### **Principles of form designing**

1. Principle of use
2. Principle of standardisation
3. Principle of centralized control
4. Principle of systems integration
5. Principle of ease of entry of data
6. Principle of multiple use
7. Principle of identification

### **Steps in form control**

1. Establishment of centralised authority
2. Preparation of forms register
3. Listing of office routine
4. Analysis of forms
5. Design and production
6. Elimination or destroying old forms

### **Types of forms**

- Purchase form, sales form, correspondence form and accounting forms.
- Outside contract forms
- Internal office forms
- Single copy forms, multiple copy forms.

### **Factors to be considered in form design**

1. suitability
2. ease in use
3. simplicity
4. size
5. title and number
6. font size and style
7. use of proper type of paper
8. ease in punching, scoring and perforation

### **Form sets**

continuous stationary

### **Advantages**

- saving of time
- neat and clean work
- reduces wastage

### **Disadvantages**

- difficult to make alteration
- expensive
- bottom copies are very faint

**Loose leaf ledger system** - the loose leaf ledger is also known as the perpetual ledger consists of a substantially made cover binder.

### **Advantages**

- Dead accounts can be removed
- It is continuous and permanent
- Insert of new leaves is possible
- Saves time

### **Disadvantages :**

- Leaves may be lost
- Committing / concealing fraud becomes easy.

## QUESTIONS

### OBJECTIVE TYPE

#### I. Choose the correct answer

(10 marks)

1. What does not allow purchasing to become a specialist function?
  - a. Centralization
  - b. Decentralization
  - c. Both
  - d. None of the above
2. What are the raw materials for office work?
  - a. Stationery
  - b. Typewriters
  - c. Office forms
  - d. Paper Fasteners
3. What is required to ensure regular supply of various forms?
  - a. Forms control
  - b. Forms designing
  - c. Form sets
  - d. None of the above
4. It is convenient to use ----- so that multiple copies can be made out by a single writing method.
  - a. Duplicating paper
  - b. Carbon paper
  - c. Form sets
  - d. Copy sheets
5. The general purpose of a form is to make ----- operations easy.
  - a. Clerical
  - b. Logical
  - c. Analytical
  - d. Standardisation
6. ----- is required for rough drafts.
  - a. Plain sheets
  - b. Manila sheets
  - c. Second sheets
  - d. Copy sheets
7. ----- means buying in bulk.
  - a. Centralised purchasing
  - b. Decentralised purchasing
  - c. Both
  - d. None of the above

8. What eliminates the need for recopying repetitive and standard information?
  - a. Copy sheets
  - b. Duplicating paper
  - c. Office form
  - d. Manila sheets
  
9. ----- should facilitate the identification of forms with ease.
  - a. Form design
  - b. Form control
  - c. Form sets
  - d. Printed forms
  
10. What implies fixing the requirement or specification as to quality of the item of the office supplies for various purpose?
  - a. Management
  - b. Standardisation
  - c. Purchase
  - d. Storage

**Answers**

1. b. Decentralization
2. c. Office form
3. a. Forms control
4. c. Form set
5. a. Clerical
6. b. Manila sheets
7. a. Centralized purchasing
8. c. Office forms
9. a. Form designing
10. b. Standardisation

**II. Write the answer in one or two words.**

(1 x 10 = 10 marks)

1. Write any two items included in office supplies.
2. What are the drawbacks of over stocking?
3. What are the steps in purchasing?
4. What is best suited to organisations with decentralized functioning?
5. List any two important areas of office supply.
6. With whom is the task of purchasing the office stationery is centralised?
7. On what basis materials should be issued to eliminate the chances of deterioration of various items of stationery.

8. Mention any one aspect based on which a form may be standardized.
9. Give an example of Internal Office forms.
10. In case of an Employment Application form, which type of form is used?

**Answer**

1. Paper, paper pads
2. More storage space, funds get blocked
3. Discovering sources of supplies
4. Decentralised purchasing
5. Standardisation, purchase of supplies
6. Purchase office
7. First in First out (FIFO)
8. Quality of paper
9. Requisition of forms, Accounting forms and Report forms
10. Single copy forms

**Part B**

**III. VERY SHORT ANSWER**

**Answer in five lines**

(4 marks)

1. What are office supplies? What are the items included in it?
2. What should be kept in mind while selecting a supplier to whom order is to be given for purchase of office stationery?
3. What is meant by Decentralised Purchasing?
4. Define "Management of Supplies".
5. What is an "Office Form"?
6. What is meant by "Forms Control"?
7. State the various ways in which form sets may be constructed.
8. Write the importance of office forms.
9. Purchase of supplies in correct quantities is necessary. Explain.
10. What is Bin card?

**PART - C**

**IV. SHORT ANSWER**

**Answer in one page**

(10 marks)

1. What does the term office supplies include. What are the various uses of paper?
2. Describe the need for control of office stationery and supplies.
3. Write a note on centralized and decentralized purchasing.
4. How does price, quantity and time, influence selection of stationery?
5. What are the purposes of forms?
6. Write the main objectives of form control.

7. Explain the steps in form control
8. What are form sets? What are the various ways by which they may be constructed?
9. Explain the procedure for purchase of supplies.

#### **PART - D**

#### **V. ESSAYTYPE QUESTIONS (20 marks)**

1. Explain the factors to be considered for selecting stationery.
2. Explain in detail “Organisation and Management of Purchases”.
3. Explain the procedure for purchase of stationery and the method of controlling stationery in stores.
4. Explain the importance, advantages and purpose of forms.
5. Describe the principles of form designing.
6. What are the objectives of form control? Explain the steps involved?
7. What are the types of forms. Explain the factors to be considered in form designs.
8. What are form sets? Bring out the advantages and disadvantages of various form sets.

#### **ACTIVITY**

1. Draw the specimen of different types of forms used in an office.
2. Make a list of different size, type and brands of papers available.  
(Hint: Visit a stationery store like Indo Burma)



## 5. FILING AND INDEXING

### LEARNING OBJECTIVES:

- *To know the various methods of classification of files and types of filing.*
- *To learn the various methods of indexing.*

**Introduction - Types of records - Records Management - Objectives - Principles of maintaining records - Filing - Advantages of Filing - Essentials of good filing system - Organisation of filing - Types of filing classification of files - Indexing - Objects - Essentials of good system of Indexing - Advantages of Indexing system - Types of Indexing system - Selection of suitable Indexing system.**

### 1. INTRODUCTION

The very existence of business organization, government and other social institutions is based on records.

Records refer to a document, utilised by an organisation to carry out its various functions. A



Fig. 5.1 - Office records

record constitutes some type of tangible evidence of the operations of an enterprise. It may take the form of a letter, circular, invoice, voucher, picture, report etc.

### 2. TYPES OF RECORDS

1. **Correspondence:** Correspondence includes letters, notices, circulars, memorandum, etc. received by the firm and the copies of letters sent out. It also includes telegrams and fax messages.
2. **Accounts Department Records:** These include all papers or documents connected with accounts of the firm, e.g. invoices, petty cash vouchers, receipts, bank statements, accounting ledgers etc.,
3. **Purchases & Sales Records:** These include all papers connected with purchases, sale and stock keeping of goods handled by the firm. e.g. price list, quotations, samples, copy orders etc.,

4. **Personnel Records:** These include all papers connected with the employees of the firm, e.g. completed application forms etc, and records of employees attitude, absenteeism, turnover etc.
5. **Administrative Records:** All records which are necessary with regard to the administration of the firm either because of statutory requirements or otherwise (e.g. insurance policies, vehicle registration books, licenses, hire purchase agreement, share certificates and so on.)
6. **Miscellaneous Records:** Modern business firms also keep records which have not been included in either of the above categories. For instance, records relating to advertisement campaign, marketing research etc.

### 3. RECORDS MANAGEMENT

Records management is a modern business programme that embraces filing and is supplemented by the design and review of business forms and records. It is that area of office administration which is concerned with creation, presentation, use and disposal of records.

According to Zane K Quible, "Records management refers to the activities designed to control the lifecycle of a record from its creation to its ultimate disposition." The functions of records management under these stages are discussed below:

1. **Creation of Records:** New forms and records should be developed only when their need is fully justified. The design of the forms should be given careful attention. Data should be recorded in the documents accurately and completely.
2. **Storage of Records:** The storage stage is concerned with the classification of records and then filing in the suitable filing equipment in a location which is easily accessible. Arrangement should also be made to protect the records against disaster or unauthorised use.
3. **Retrieval of Record:** The records are stored for further use. An efficient procedure must be established so that records may be retrieved and delivered in time. The utilization of records is greatly influenced by the mode of their creation.
4. **Disposal of Records:** The last stage in the record cycle is the disposal stage which is concerned with preserving valuable documents and disposing the expired documents. A record retention schedule classifies records based on the time period and the requirement of the same.

#### 3.1. Objectives of Records Management

The basic objective of records management as given by Leffingwell and Robinson are as follows:

1. **To keep an orderly account of progress:** The purpose of writing down and preserving memoranda of transactions, (financial and other kinds) various documents, papers,

correspondence, etc., is to record the progress of the business. This may be referred to as historical function of records.

- 2. To facilitate preparation of statement of true condition:** The true condition of a business can be known only by means of its up-to-date records. This knowledge is of vital importance in business planning and decision making, particularly in the context of changing circumstances.
- 3. To facilitate comparison:** Records facilitate comparison between one period of time and another, between different product lines and between firms operating in different lines of business. This analytical function of records plays a vital role in today's business.
- 4. To detect errors and wastes:** Errors and wastes can be known and controlled only with the help of proper records and management. Records management is a control function which facilitates the evolution of techniques for the elimination of errors and waste.
- 5. Legal formalities:** Certain records are to be kept for a specified period of time under the provisions of the various Acts. For instance, sales records have to be kept for several years under the Sales Tax Act, receipts and payment vouchers and accounts books have to be kept for several years under the Income Tax Act and so on.

### **3.2. Principles of Record Keeping**

The following guidelines should be observed to determine the type of records to be stored for varying periods of time:

- 1. Justification:** The purpose of record keeping must be justifiable. There is no logic of keeping a record if it cannot serve any useful purpose.
- 2. Verification:** Records must be authenticated. There is no sense of keeping records which are based on rumors or hearsay.
- 3. Period:** Records should be preserved only for the period for which they are required.
- 4. Classification:** Records should be filed in such a manner that the requisite information is available when needed. For this purpose records should be classified properly.
- 5. Safety:** The records should be preserved safely and the system of filing should be flexible so that it could be adapted to changes easily.
- 6. Economy:** Records must be procured and maintained at a reasonable cost. The benefits to be derived from keeping records should be more than the costs of creating and maintaining them. (Cost benefit analysis)

### **4. FILING**

Most of the records have to be preserved for reference in the future, at the same time they must be kept easily available. The way in which it is done is called filing. In other words, filing is the process of arranging and storing records so that they can be located whenever required. Since

the emphasis is on both storing and locating the record, it would be better to name the process as filing and finding. Filing facilitates the keeping of records in a systematic manner. It performs a library function by storing the records for future reference.

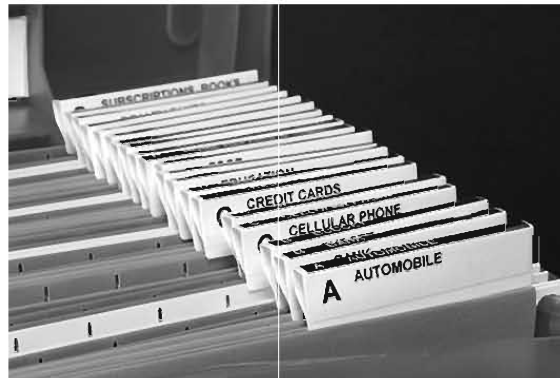


Fig. 5.2 - Filing

G.R. Terry has defined filing as "the placing of documents and papers in acceptable containers according to some predetermined arrangement so that any of these may be located quickly and conveniently, when required".

According to Zane K. Quible, "Filing is one of the activities in the records management programme which involves systematically classifying, coding, arranging and placing of records in storage".

#### 4.1 Advantages of Filing

Records are stored under a suitable system of filing in order to achieve the following purposes and benefits:

1. **Ready Reference:** Records constitute the store house of information relating to past events. They can be referred to conveniently if they are filed in a systematic manner and a proper index is maintained of various files.
2. **Safety of Records:** Filing ensures the safe storage of records of different types. Letters and other documents are put into folders and the folders are kept in cabinets. Thus, records are saved from unforeseen happenings like theft, fire, etc.
3. **Documentary Proof:** Records serve as a documentary evidence in case of disputes. Copies of records can be produced to settle the claims with different parties. Records can also be produced in a court of law as an evidence when a party to the dispute resorts to the process.
4. **Prompt Handling of Correspondence:** Filing enables to handle the correspondence properly without any delay. It builds up the reputation of the organization and helps in securing orders.
5. **Statutory Requirements:** Records are kept in compliance with provisions of various statutes like Companies Act, Income Tax Act, Factories Act, etc.

6. **Barometer of progress:** Filing makes available the records of previous years. It helps in comparing the current year's performance with the previous years. Thus, it is an important aid in measuring the efficiency of the enterprise and various departments.
7. **Decision Making and Policy Formulation:** Availability of up- to-date information is essential for taking important decisions and for formulating policies. The degree of risk is increased if the decisions are based on guesswork and intuition rather than on relevant facts and figures.
8. **Increased Efficiency:** Filing increases the efficiency of the office. It makes available to the management the required information with speed and accuracy which is helpful for prompt decision-making. Follow-up actions are also taken quickly if records of the past correspondence are easily available.

#### **DO YOU KNOW**

1. Sit at your desk for a few minutes and figure out where you will look for objects.
2. Now that you know, determine whether an alphabetical, numerical or subject filing system will work best.
3. Next, roughly determine your storage needs.
4. Invest in a good labeling system for clarity and easy access.
5. Now you are ready to purchase file folders.

#### **4.2 ESSENTIALS OF A GOOD FILING SYSTEM**

A good filing system is one that can be depended upon for accuracy and which produces at once the required information. The following are the essentials of a good filing system:

1. **Accessibility:** The paper should be so filed that required papers for reference may be picked up without loss of time. Filing cabinet should be conveniently situated.
2. **Simplicity:** The filing system should be simple for any person to understand and operate i.e., without any special training or knowledge of the filing system.
3. **Economy:** The filing system should be economical as regards labour, equipment and overhead. Economy of space is of great importance in big cities because of high rents. The best way to obtain economy is not to preserve documents beyond their proper life. The management must decide on the life of each paper so that they are not preserved unnecessarily.
4. **Suitability:** The nature and volume of filing operation vary from organization to organization. The system of filing should be such that it suits the organization.
5. **Flexible:** The filing systems must be capable of being easily expanded with the expansion of business. In other words, it must be sufficiently adaptable to meet changing circumstances.

6. **Classification:** The filing system should be supported by a proper system of classification which helps in inserting as well as locating the documents in files. There are many methods of classification such as alphabetical, numerical, alpha-numerical, geographical and subject wise. Alphabetical system is widely used as it is simple to understand and is self-indexing.
7. **Cross Reference:** It may sometimes be possible to file a letter under two different heads. In such a case cross reference should be given under that head where it could be filed but it has not been filed to enable the clerk to trace such a letter where it is actually placed.
8. **Movement:** Whenever a file or letter from a file is removed from the filing department, 'Guide' or 'Indicator' should be inserted with the relevant details regarding its movement along with signature of the employees handling the file.
9. **Safety:** The system of filing should include some device to prevent unauthorized persons from tampering with the records. The records should also be kept safe from rats, white ants, etc. for this purpose the following steps may be taken:
  - a. Fireproof almirahs / cabinets can be used for storing valuable documents.
  - b. Entry to filing section should be restricted only to the staff of filing section.
  - c. Files should be issued only on the basis of authorised requisitions.
  - d. A procedure should be designed to ensure quick return of issued files.
10. **Indexing:** If alphabetical classification is not adopted, index of file must be maintained e.g., Card Index, Visible Card Index system etc. Indexing helps to locate the files quickly.
11. **Retention:** There should be a specific records retention policy. The period for which every record is to be kept must be clearly stated. Only live records should be kept in the file cabinets as space is very expensive these days. Dead records should be disposed off by following the necessary procedure.

#### 4.3 Organising of Filing

The filing function helps in proper maintenance of records. The records should be made available as and when required. The department should employ trained personnel to arrange and classify various records. A senior officer called Chief Record and Filing Officer should be in charge of this department. The department should be provided with the required filing equipment like drawers, cabinets, folders and index cards, etc. This department may be organized in either of the two ways, namely,

- (1) Centralised filing and
- (2) Decentralised filing.

##### 1. Centralisation of Records or Centralised Filing

Centralisation of records refers to grouping and storing of records in the same place where they are accessible to a number of persons. In other words, the records pertaining to activities of

all the departments of an enterprise are preserved in the centralised filing sections and are controlled by a centralised index plan. Central file comprises papers relating to general correspondence, office and branch correspondence, orders, invoice, vouchers, estimated quotations, credit and debit memos and other papers which several departments need to refer.

#### **A. Merits of Centralised Filing**

1. It eliminates duplication as all papers pertaining to a particular subject are kept in the central file thus eliminating duplication.
2. This system provides better service by employing trained clerks exclusively for filing purpose.
3. It ensures a more uniform system of filing
4. It helps to save time as there is only one place to send material for filing and locate the same.
5. It provides economy in space, equipment and supplies as there is no duplication of records and equipments.
6. It helps to serve other departments by relieving them of their burden of maintaining the records.

#### **B. Demerits of Centralised Filing**

1. Physical difficulties are caused when departments are located away from the filing room.
2. Leakage of information is possible since files are centrally placed.
3. Since there is no duplication of records there is a fear of loss of records. Therefore, it is advisable to have a copy of each record in the respective departments file.

#### **2. Decentralised Filing**

In this system files relating to different departments are kept in the respective departments. Decentralized filing is necessary for maintaining records of work-in-progress, such as unexecuted orders, unpaid bills etc. further, there are certain records which will be used only by certain departments for e.g. price quotation in the purchase department, blueprints and drawings in the engineering department. In every department a filing clerk does the filing work along with his other duties.

#### **A. Merits of Decentralised Filing:**

The disadvantages of centralized filing are the advantages of decentralized filing and vice-versa.

1. It is more suitable where the information relating to a department is of confidential nature.
2. It is useful when departments are located far away from the filing department.
3. This system is useful when certain papers are relevant for one department only.
4. There may be delay in locating records under centralized filing. Decentralised filing is recommended in order to remove inconvenience likely to result if the records are not located on time.

## B. Demerits of Decentralised Filing

1. Expenses on filing are high, as it leads to duplication of space, equipment and supplies.
2. Since every department does its own filing work, appointment of filing clerk is not economical and feasible.
3. There will be lack of uniformity in the filing routines and equipment in different departments.
4. Departmental filing may create difficulties when a piece of paper is relevant to more than one department.

## 4.4 Types of Filing

The important types of modern filing are:

1. Horizontal or flat filing and
2. Vertical filing

### 1. Horizontal filing

Under this method, papers are inserted in a chronological order in files or folders which are kept in drawers in a horizontal position i.e., one on top of the other. Each file is allotted a number and an index is prepared. When a file is removed for reference, a guide card which indicates the movement of file is kept in its place. The main types of files for keeping papers under horizontal filing are :

- i. Lever arch files
- ii. Flat files



Fig. 5.3 - Horizontal filing

**i. Lever arch files :** It is a strong card-board folder which contains strong metal arches which can be opened with the help of a lever. Records meant for filing are punched with the help of a



Fig. 5.4 - Lever arch



punching machine and are then filed on the metal upright, after the arch has been opened by the lever. The arch lever file facilitates alphabetical division which is done by inserting thick cards at suitable places. In this type papers can be inserted or taken out without disturbing the order of the other papers in the file.

**ii. Flat Files :** The files (or covers) are made of card-board or thick paper. A separate cover is allotted to each subject or customer which contains all the relevant correspondence in a



**Fig. 5.5 - Flat files**

chronological order. The flat file has metal hinges which are inserted into the holes (of papers or documents) punched by a punching machine. The papers lie flat one above the other in the files. These files are placed in the drawer horizontally.

**Merits of Horizontal filing:**

1. It is simple and easy to operate.
2. As the papers are filed in a chronological order, it is very easy to locate the letters.
3. It is cheap to install.
4. The contents are kept clean and free from dust as they are stored in almirahs.
5. As the papers are fixed in the arch, they cannot go out of place.
6. Papers can be referred to without removing them from the file.

**Demerits of Horizontal filing**

1. This method is suitable for large organizations.
2. In flat files papers are filed in a chronological order and one above the other, they cannot be taken out without dislocating other papers.
3. This method does not allow for expansion beyond a certain point.
4. It requires an index to find out the concerned file.

## 2. Vertical Filing

Under this method, the files containing papers are placed vertically or in a standing upright position. The papers or records to be filed are put into the folders and the folders are placed in



Fig. 5.6 - Vertical filing

drawers or cabinets in an alphabetical or numerical order. This method of filing is said to be most modern. It has evolved as a result of the growing needs of business organizations.

### Merits of Vertical Filing

1. Vertical filing allows ready reference of papers and documents.
2. It is easily adaptable to all types of classification, viz, alphabetical, numerical, etc.,
3. It is economical. Folders are cheap and can be accommodated in a single filing cabinet.
4. Filing cabinets provide ample scope for expansion of filing facility. A single drawer can accommodate a large number of folders.
5. It also provides greater safety to the papers since they are kept free from dust in drawers.

### Demerits of Vertical Filing

1. This method is not as fast as the other methods of filing such as Visible Card filing and Rotary card filing
2. Folders may slip down the drawers. By this there may be an unnecessary wear and tear of various folders.

## 4.5 CLASSIFICATION OF FILES

Various papers and documents must be classified and then put into files or folders. The basic purpose of classification of records is to make them conveniently available in future. The important types of classification are:

### A. Alphabetical Classification

This method is most widely used in business offices for classifying correspondence. It is suitable for both small and large offices and is of great significance where names of correspondents are important. Under this method, each folder bears the name of the

correspondent. These folders are arranged in the strict alphabetical order of the names of the customers. If there are several names beginning with an alphabet, say A, they will be arranged in alphabetical or dictionary like order of the subsequent letters like Aa, Ab, Ac, ... and so on.

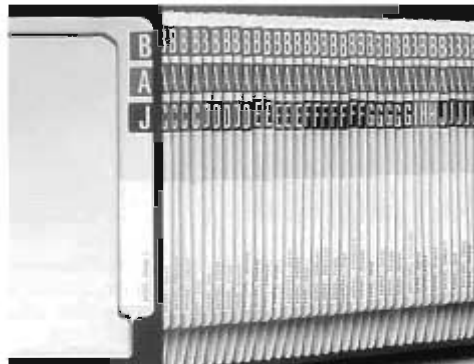


Fig. 5.7 - Alphabetical classification

This is the simplest method and can be understood by everyone as most people are familiar with the arrangement followed in the dictionaries. This system is self indexed and no separate index is needed.

#### **Merits of Alphabetical Classification**

1. It is easy and simple to understand and operate.
2. It is self-indexed. No separate index is needed.
3. It is flexible i.e., new headings can be introduced at any point without disturbing the classification.
4. It provides a direct reference and offers a quick check so that the chances of misfiling are minimized.

#### **Demerits of Alphabetical Classification:**

1. It takes a long time to find papers in large systems, and thus reduces the speed of operation.
2. There may be confusion when there are several common names.
3. Papers may be misfiled because of mis-spelling of names.
4. There may be difficulty in forecasting the space requirements under different letters of the alphabet.

#### **B. Numerical Classification**

Under this method, each customer is allotted a number. All papers relating to particular customer or supplier or subject are placed in one folder bearing his distinctive number. The folders are arranged in the cabinet bearing his distinctive number. The folders are arranged in the cabinet in the numerical sequence; and guide cards are used to divide them into suitable groups of 10 or 20. Thus, if a customer is allotted the number 51, all papers connected with him will be

found in the folder number 51. It is quite easy to locate this folder in the appropriate cabinet with the help of the 'Guide Card' or 'Index Card'.

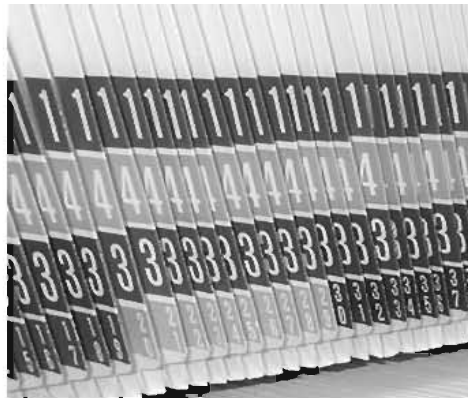


Fig. 5.8 - Numerical classification

### **Merits of Numerical Classification**

1. Numerical files can be easily located and they are less likely to be disarranged.
2. There is greater accuracy in filing and the chances of misfiling are reduced.
3. It permits unlimited expansion.
4. It is easy to install and operate this system.

### **Demerits of Numerical Classification**

1. A separate alphabetical index needs to be prepared to locate the files. For locating any file, index has to be referred every time.
2. The cost of index and space taken by it makes the system expensive.
3. Files for miscellaneous papers can not be easily arranged.
4. The serial numbers of dead files are not deleted
5. Slight mistake in numbering the file can cause much inconvenience and lead to misfiling. Much difficulty will be experienced with misquoting of the reference number of the file.

### **C. Alpha - Numerical Filing .**

The numerical filing may be combined with the alphabetical system. The files may be kept in this order: A/1, A/2, A/3.....and so on. Such a system is known as alpha-numerical filing. It is a flexible system of filing as more files can be added, when required.

### **D. Geographical Classification**

Geographical classification is an area/region wise classification where the customers are classified according to the regions they represent which is further classified according to alphabetical or numerical order. This helps in concentrating efforts for increasing sales in certain areas. There may be further sub-classification of geographical areas.

Geographical filing helps in speedy location of files and it gives an overall picture of the customers in different areas. This system of classification must be supported by an index plan because it is essential to know the address of a person before trying to find his file.

### **Merits of Geographical Classification**

1. Direct filing and speedy location of file is possible.
2. The marketing manager can make an assessment of his success or failure in different regions if the files are kept on geographical basis. He can adopt suitable policies for each region on careful analysis of regional information.

### **Demerits of Geographical Classification**

1. Knowledge of geographical locations should be required, otherwise misfiling may result.
2. An index has to be prepared for quick and easy reference.
3. For better results, this method should be combined with alphabetical or numerical method of classification.

### **E. Subject Wise Classification**

The subject-wise system is adopted in offices where the subject (or contents) of letters is more important than the correspondence. All correspondence or records are filed together based on alphabetical arrangement of certain subjects. Officers, contractors, lawyers, architects, local bodies and educational institutions usually adopt this method.

This method is most commonly used in libraries. Books are first classified on the basis of subjects like accountancy, economics, history, law, management, etc. and then placed in drawers in alpha-numerical order. Since subject-wise filing is very much complicated. It must be handled by trained persons. The greatest benefit is that the files relating to a subject gives all information about it. However, subject-wise classification is not suitable for miscellaneous documents.

### **Merits of Subject-wise Classification**

1. Papers relating to one subject are put in one file and made available for ready reference.
2. There is a scope for expansion. Every new subject will have a new file and previous records will not be disturbed.
3. It facilitates easy reference when subject-matter is known.

### **Demerits of Subject-wise Classification**

1. It may become difficult when a paper is related to two subjects since its copy has to be kept in two subject file.
2. If the correspondence for a particular subject is heavy, then more than one file will have to be maintained. When the number of files is more, then an index will be required for locating the information.



the term “classification”. Classification is the method of filing while indexing is basically the method used for making reference to the matter field.

### **5.1. Object of Indexing**

The principal object of indexing is to aid filing so that filed papers are located easily and quickly whenever they are needed. Indexing thus improves the efficiency and speed of the filing method. Indexing is advantageous only when the right type of indexing system is chosen. If files are arranged in geographical cum alphabetical or only alphabetical order an index is not needed. However, in other systems of classification an index becomes a primary requirement for customers, suppliers, credit ratings, and telephone numbers and so on. Index is also required for different kinds of registers and ledgers.

### **5.2 Essentials of a Good System of Indexing**

Essentials of a good system of indexing are as follows:

1. It should be simple
2. It should be economical in operation.
3. It should allow for speed
4. It should go well with the system of filing in the organization
5. It should be flexible to allow for expansion when needed.

### **5.3 Advantages of Indexing**

A good system of indexing i.e., which goes well with filing method in the organization offers the following benefits in the field of records management:

1. **Easy location:** The required papers and documents are located very quickly with the help of the index. Referencing is easy and not a painful process.
2. **Easy cross-referencing:** A good system of indexing also ensures easy cross-referencing and thus saves on time.
3. **Lower costs:** The operating costs of records administration are less due to improved efficiency offered by indexing. Time is not wasted in locating necessary documents or papers.

### **5.4 Types of Indexing Systems**

Indexing may be classified into the following main categories, namely: (a) Page Index; (b) Card Index and (c) Visible Index.

**a. Page or Book Index :** This system is also known as *alphabetical indexing* as classification is based on the letters of the alphabet. One page or leaf is allotted for each letter of alphabet, fitted with a tab showing the letter and quoting the relevant page numbers. The pages may be held in a loose form or in a bound book form. Each page consists of a list of all the correspondents whose names begin with the letter to which that page or sheet is allotted. For example, all names

beginning with the letter 'A' like Anjali, Anu, and Arthi, will be written on the page allocated to the letter 'A'. The folder number of correspondents relating to a particular person will appear against his/her name.

Page index may take the form of either (i) Bound Book Index, or (ii) Loose Leaf Book Index. These are described below:

**1. Bound Book Index :** It is in the form bound book or register which is divided into alphabetical sections wherein the names of persons are entered.

Each section has the leaves cut away at the right hand side so that the initial letters of all the sections are visible at a glance. The book index is very cheap and is a good long time record. The pages cannot be lost or disarranged because they are bound. This is an inflexible method since alterations are difficult and it accommodates a comparatively less number of entries. Eg. Telephone index

**2. Loose Leaf Book Index :** Loose sheets are used for indexing and are fastened by metal rings or hinges or some other device which allows the pages to be taken out and also helps in insertion of additional pages. This type of index is also fitted with a lock. It is very much used by the commercial banks and the joint stock companies for keeping the records of their customers, share holders and debenture holders.

Loose-leaf indexing is flexible and adaptable to different users. It offers ample scope for expansion with the main drawback of loss or damages.

#### **Merits of Page or Book Index**

1. It is a very cheap and simple method.
2. It requires less space.
3. It can be carried from one place to another.

#### **Demerits of Page or Book Index**

1. A strict alphabetical arrangement of names on each page may not be possible.
2. Names must be deleted once they are no longer of any use. This may present a shabby appearance.
3. It is an inflexible system of indexing. Scope for further entries even in case of loose leaf index is limited.

#### **3. Vowel Indexing**

In cases where the number of correspondents is very large the alphabetical indexing is further classified. The names of the correspondents are entered on one page or the other according to the letter with which his name begins and the first vowel in his name. This sort of indexing is known as 'Vowel Indexing'. eg. Ashika The first vowel in the name is 'i'. She will be classified under 'Ai'



## **b. Card Index**

Under this method, references are entered on the cards of uniform size. These cards bear the names, number of the files and other particulars to be indexed. Cards are arranged in either



Fig. 5.11 - Card index

alphabetical or numerical order and are placed in drawers or boxes which may have a rod running from one end to the other end for holding cards in their places. These drawers are divided into alphabetical sections by means of guide cards.

The purposes for which card index may be used are listed below:

- a) as catalogue of books in library;
- b) to contain specimen signatures of customers in bank;
- c) to contain addresses and other particulars of customers;
- d) to maintain accounts of store items;
- e) to maintain history of employees;
- f) to keep records of instalment sales.

### **Merits of Card Index System**

1. The cards provide a complete list of the names, addresses and telephone numbers of the persons or the firms with whom the dealings take place.
2. Each card may be ruled according to the particulars desired to be recorded.
3. Ready information is available for different purposes, e.g., for knowing the number of customers in a particular territory.
4. It has greater flexibility because the number of cards can be increased or decreased as desired. Cards may be grouped and re-grouped in any manner and in any order.
5. The index is always alive since the dead cards are removed and transferred to dead cabinets.
6. Card index can be used by a number of persons at the same time.

### **Demerits of Card Index System**

1. There is a danger of separate cards being lost by the persons who take them away from the drawers for reference.

2. Ready reference may be difficult if the cards are allowed to be removed freely from the drawers.
3. Card index is blind since cards are not visible at a glance.
4. Card indexing is comparatively costlier than page indexing
5. Cards get torn or spoiled through constant handling. Thus, they have to be replaced from time to time.
6. Cards may be substituted to commit or conceal fraud where card ledgers are kept.

Despite these drawbacks, the system of card indexing is very elastic and simple to operate and so is used frequently in libraries, hospitals, banks (for maintaining specimen signature) and other offices (to keep credit records, staff records and so on).

### **c. Visible Index**

The major defect of card indexing is that a large number of cards cannot be seen at one glance. This defect is overcome by visible indexing under which a large number of cards are visible at one glance. Visible card index, Strip index and Wheel Index are the systems of visible indexing.

#### **1. Visible Card Index**

Visible card index system has gained more popularity in recent years. It is based on the principle "*look at the card, not for it*". Visible card indexing can be used for retaining records such as accounts receivable, personal history of employees and specimen signatures of customer in a fairly permanent position for frequent reference. The speed in which the cards can be located and the necessary entries made, justifies the use and cost of visible card filing equipment.

The main feature of visible filing is that the main reference (i.e., the main information) on each card is visible at all times. The cards are arranged in such a way that it overlaps the one before it leaving a narrow strip at the bottom containing the name, telephone number or the subject visible.

#### **Merits of Visible Card Index**

1. Speedy reference is possible as the names of the customers or subject are all visible.
2. Though visible indexing costs more, the saving in time and labour is so much that it offsets the additional cost.
3. Additional information can be easily written on the cards even without disturbing the order in which they have been kept.
4. Cards can be removed and inserted with great ease.
5. Visible card indexing is very compact as a large number of cards can be accommodated in every tray.

### **Demerits of Visible Card Index**

1. The visible card index equipment is costlier than the equipment required for card index.
2. The filing staff must be trained properly for its operation.

### **2. Strip Index**

It is a type of visible indexing which is used when the entries are limited to a few lines (names, addresses, etc). It consists of a frame into which strips of stiff paper can be fixed in any required order. Each strip is devoted to one name only. Frames containing these strips may be either fixed on the wall or arranged on a rotary stand which can be turned round to look at any part of the index. These strips can be protected from exposure or damage by using removable transparent celluloid covers.

### **3. Wheel Index**

It is an improvement over visible card index. Cards are arranged about the circumference of the wheel. A single wheel can hold as many as 1,000 cards. Cards can be inserted into or taken out of the slits of the metal rod whenever needed. An entry can be made on the card by applying the breaks to keep the wheel fixed. Thus, entries can be made on the cards, and cards can be referred to without removing them from the wheel.

### **Merits of Wheel Index**

1. Wheel index makes reference very easy and quick. It saves time and efforts.
2. It is economical in space as a large number of cards can be accommodated in a wheel.
3. Entries can be made on the cards without removing them from the wheel.
4. New cards can be added and old ones removed without much difficulty. Thus, wheel index allows flexibility in operations.

### **5.5 Selection of a Suitable Indexing System**

Every system of indexing has its own merits and demerits. Some methods are rigid while others are flexible though expensive. The installation of a suitable indexing system depends mainly on the following factors:

1. The type and the extent of information needed
2. The cost of equipment in each system
3. The cost of labour in each system
4. The space required for each system
5. The frequency of adding or deleting
6. The purpose of using an index

## **POINTS TO REMEMBER :**

### ➤ Introduction

- The very existence of business organisations, government and other social institutions is based on records.

### ➤ Types of records

- Correspondence, accounts department records, purchase and sales records, personnel records, administrative records and miscellaneous records.

### ➤ Records Management

- Functions of record management
- Creation of records, storage of records, retrieval of records, disposal of records.
- Objectives of records management is
- The objective of records management are to- keep an orderly accounts of progress, facilitate preparation of statement of true condition, facilitate comparisons, detect errors and complying with legal formalities.
- Principles of record keeping
- Justification, verification, period, classification, safety, economy.

### ➤ Filing

- Most of the records have to be preserved for reference in the future, at the same time they must be easily available.
- Advantages of filing
- Ready reference, safety of records, documentary proof, prompt handling of correspondence, statutory requirements, barometer of progress, decision making, policy formulation and increased efficiency.

### ➤ Essentials of good filing system

- Accessibility, simplicity, economy, suitability, flexible, classification, cross reference, movement, safety, indexing, retention.
- Organisation of filing
- Types of filing
- The two important types of modern filing are: Horizontal or Flat filing and Vertical filing.
- Classification of filing
- The important types of classification are: Alphabetical classification, numerical classification, alpha numerical classification, geographical classification, subject-wise classification, chronological classification.

### ➤ Indexing

- The principle object of indexing is to aid filing so that filed papers are located easily and quickly whenever they are needed and improve efficiency and speed of the filing method.
- Essentials of a good system of indexing

- It should be simple, economical in operation, allow for speed, go well with the system of filing in the organisation, flexible to allow for expansion when needed.
- Advantages of good system of indexing
- Easy location, easy cross-referencing, lower cost.
- Types of indexing system
- Page or book index, card index, visible index.

## QUESTIONS

### OBJECTIVE TYPE :

- I. Choose the correct answer:** (10 marks)
- 1 Purchase and sales records include -----
    - (a) Price list
    - (b) Record of employee's attitude
    - (c) Insurance policies
    - (d) Marketing research
  
  - 2 A modern business program that embraces filing and is supplemented by the design and review of business forms and records is known as -----
    - (a) Record keeping
    - (b) Records management
    - (c) Indexing
    - (d) None of the above
  
  - 3 The ----- stage deals with preserving valuable documents and doing away with unnecessary, expired documents.
    - (a) Storage stage
    - (b) Creation stage
    - (c) Disposal stage
    - (d) Retrieval stage
  
  - 4 The analysis, which determines the proportion of benefit derived from maintaining records in comparison to their respective costs, is called ----- .
    - (a) Ratio analysis
    - (b) Cost benefit analysis
    - (c) Justification
    - (d) All of the above
  
  - 5 ----- should be avoided when taking decisions.
    - (a) Statutory requirements
    - (b) Relevant facts
    - (c) Changing political scenario
    - (d) Guesswork and intuition

- 6 A good filing system ensures -----  
 (a) Systematic organisation  
 (b) Simplicity  
 (c) Accuracy  
 (d) All of the above
- 7 Chief Record and Filing Officer is in charge of the ----- department.  
 (a) Filing  
 (b) Indexing  
 (c) Records  
 (d) None of the above
- 8 In -----, papers are inserted in chronological order one on top of the other.  
 (a) Vertical filing  
 (b) Geographical classification  
 (c) Horizontal filing  
 (d) Indexing
- 9 ----- indexing does not come under "Page or Book Index".  
 (a) Loose - leaf  
 (b) Vowel  
 (c) Card  
 (d) Bound book
- 10 In ----- indexing, the cards are arranged about the circumference of a wheel.  
 (a) Card index  
 (b) Visible card index  
 (c) Strip index  
 (d) None of the above

### ANSWERS

- 1 (a) Price list  
 2 (b) Records management  
 3 (c) Disposal stage  
 4 (b) Cost benefit analysis  
 5 (d) Guesswork and intuition  
 6 (d) All of the above  
 7 (a) Filing  
 8 (c) Horizontal filing  
 9 (c) Card  
 10 (d) None of the above

**II Briefly answer in one or two words.**

1 marks

- 1 Who put forth the objectives of records management?
- 2 What is the other name for “Page or Book Index”?
- 3 What are the two ways by which documents may be filed?
- 4 What are the main bases under which indices are classified?
- 5 Who gave the definition of “Records Management”?
- 6 What is the orderly maintenance of records otherwise known as?
- 7 The process of filing may be organised in two ways. What are they?
- 8 How can visible indexing be further classified?
- 9 What are the main types of files maintained under horizontal filing?
- 10 Whenever a file or letter is removed, what should be placed in its position?
- 11 Which system of filing needs a prior classification?
- 12 What are the two forms of page or book index?

**ANSWERS**

- 1 Leffingwell and Robinson
- 2 Alphabetical indexing
- 3 Horizontal and vertical filing
- 4 Page index, Card index and Visible index
- 5 Zane K Quible
- 6 Historical function of records
- 7 Centralised and Decentralised Filing
- 8 Visible Card Indexing, Strip Indexing and Wheel Indexing
- 9 Lever arch files, Flat files
- 10 Guide or indicator with relevant details along with signature of employee handling the file.
- 11 Chronological classification
- 12 Bound Book Index, Loose Leaf Book Index

**PART B**

**III. VERY SHORT ANSWER**

4 marks

**Answer in five lines.**

1. What do you mean by filing?
2. What are the essentials of a good indexing system? List them.
3. What is the difference between indexing and classifying?
4. What is meant by subject - wise classification?
5. List the various stages during which the functions of records management are performed.
6. What do you mean by “Centralised Filing”?
7. What do you understand by the term “Vowel Indexing”?
8. List the various factors that influence selection of a suitable indexing system.

9. What is “Decentralised Filing”?
10. What is the main purpose of using card index?
11. List the benefits derived out of page index.
12. What is meant by strip index?
13. What are the key advantages of a good indexing system?
14. What kind of records are to be maintained by a business house? Name them.

### **PART C**

#### **IV. SHORT ANSWER**

10 marks

**Answer in one page.**

1. Explain the objectives of records management.
2. Bring out the principles of record keeping.
3. What is horizontal filing? Explain in detail analysing its merits and drawbacks.
4. What is vertical filing? Bring out the merits and demerits of this method.
5. What is indexing and what is its main objective? How is it different from filing?
6. Explain the concept of page index in detail giving suitable examples for the same.
7. Explain in detail the benefits that can be derived from card indexing and the drawbacks it suffers from.
8. What is the purpose of filing?
9. Bring out any two types of classification of files with their merits and demerits.
10. Bring out the significance of the various types of records maintained in an office.

### **PART D**

#### **V. ESSAY TYPE QUESTIONS**

20 marks

**Answer within three pages.**

1. What is records management? Explain in detail the various functions, objectives and principles of records management.
2. What are the essentials of a good filing system? How is it beneficial?
3. What are the various types of files?
4. How can files be classified? Analyse.
5. What are the different types of indexing systems? Elaborate.
6. Explain the organisation of filing with reference to centralised and decentralised filing.

#### **ACTIVITY**

File all your test papers and prepare an index of the same.