27.1 Introduction

Every modern organisation is required to have an office. Whether it is a Government department, business firm, school, hospital, or a voluntary organisation, the existence of an office is a must to enable necessary clerical and administrative tasks to be performed properly. An office is required for collection, arrangement, retention and dissemination (communication) of right information at the right time and to the right person. Its activities such as mail handling, filing, indexing, copying, telephone handling etc. must be controlled and supervised properly. An office manager controls all the frequently performed duties in an office. The office manager performs the managerial functions, namely planning, organising, staffing, directing, and controlling.

In this lesson you will learn about the meaning of ‘Office’, functions of a modern office and the need for and importance of office.

27.2 Objectives

After studying this lesson, you will be able to:

- state the meaning and objectives of office;
- describe the functions of a modern office;
- explain the need for and importance of office to business enterprises.
27.3 Office — Meaning and Objectives

If you visit a firm, school or hospital you will find that a number of activities are being performed, such as letters received, despatched, typing, photocopying, word processing, filing, handling of office machines etc. The place where all such activities are performed is known as office.

Thus office is a service department of an organisation, which is connected with the handling of records and provision of various services like typing, duplicating, mailing, filing, handling office machines, keeping records, drafting, using information, handling money and other miscellaneous activities.

Definition of office

Some of the popular definitions of office are as follows:

“Office is a place where clerical operations are carried on”.—Denyer, J.C.

“Office is a unit where relevant records for the purpose of control, planning and efficient management of the organisation are prepared, handled and preserved. It provides facilities for internal and external communication and coordinates activities of different departments of the organisation”. —Littlefield, Rachel and Caruth.

The above definitions highlight the following characteristics—

- collecting information
- processing information
- storing information
- coordinating information
- distributing information

Therefore, an office may be defined as a place where all the activities concerned with collecting, processing, storing and distributing information for efficient and effective management of an organisation are carried out. In every modern organisation, be it a business concern or a Government department, there has to be an office. It is essential for the efficient management of the organisation.

Objectives of an office

The main objectives of an office are as follows:

(1) Aid to Management:
The office provides aid to management in performing the following functions:

(a) **Direction**: Direction and guidance of management to various sections and departments are issued through the office.

(b) **Communication**: The office serves as a communication channel between different parts of the organisation. It handles mail.

(c) **Planning**: The office helps management in planning for smooth functioning and progress of the organisation by providing necessary information and data.

(d) **Coordination**: The office also facilitates co-ordination by maintaining links among departments.

(2) **Preserving Records**

The office maintains necessary books and records of the organisation.

(3) **Providing Information**

It provides the right kind of information to management at the right time.

(4) **Providing Office Services**

It provides clerical and secretarial services to different executives.

(5) **Distribution of work**

The office distributes the work among various employees and identifies their duties and functions.

(6) **Selection and Appointment**

It also handles selection and appointment of employees.

In short, the office is an important and indispensable part of every organisation.

**Intext Questions 27.1**

I. Fill in the blanks by selecting a suitable word given in the bracket.

(a) Every modern organisation is required to have an __________ (shop, office).

(b) An office is necessary to perform __________ duties. (clerical, managerial)
(c) The office is a _________ department of an organisation. (service, personnel)

(d) An office not only performs _________ work but provides many other services. (recording, planning, paper)

(e) More advanced and mechanised techniques of accounting is an essential characteristic of _________ scene of office. (past, present, future)

(f) Preserving information is the chief _________ of a business office. (aim, objective, function)

II. Fill in the blanks -

(a) Office means a place where all sorts of _________ work is performed.

(b) Office is the _________ centre of business.

(c) Office activities are concerned with collecting, storing and _________ information.

(d) Office is a unit where relevant _________ of the organisation are prepared, handled and preserved.

27.4 Functions of a Modern Office

An office is primarily concerned with collection and supply of information. Accurate and up-to-date information relating to organisation and other agencies affecting the organisation is always required for taking decisions and formulating policies. Besides, office has assumed many other responsibilities, such as safeguarding assets, personnel management, procurement of assets etc., which are incidental to the primary function.

Therefore, the functions of a modern office may be classified into two categories:

(a) Basic functions, and

(b) Administrative functions.

(a) Basic functions

Basic functions are those functions of an office which need to be performed in all types of organisations. They are mainly related to receiving and giving of information. These basic functions are as follows:
1. Collecting information

The office receives or collects information about various activities of the organisation. The information may be collected from internal or external sources. Internal sources may be employees and various departments of the organisation. The external sources are customers, suppliers and Government Departments etc. From internal sources information may be received in the form of letters, circulars, reports etc., and external sources provide information through letters, orders, invoices, inquiries, reports, questionnaires etc. The executives of the organisation may also collect information while visiting other organisations.

2. Recording information

The office keeps record of information collected from various sources to make it readily available to the management. The information is kept in the form of correspondence, reports, statements, circulars, lists, charts, registers, books, etc. An office has also to maintain records as prescribed under law. The registered office of a company is required to maintain Register of Members under the Companies Act, 1956.

3. Arranging, analysing and processing the information

The information collected in an office is generally not in the form in which it may be used by the management. Therefore, facts and figures collected have to be arranged, processed, organised and analysed to make them useful to the management. In this connection financial statements, statistical statements, charts, lists, reports, summaries are prepared.

4. Preserving Information

The information is properly sorted out and preserved in the most economic and scientific manner. Various types of equipments, filing cabinets, etc. are used for preserving records. Unnecessary and out-dated records are destroyed to make space for new and valuable records.

5. Supplying information

All accumulated and processed information is useless unless it is communicated. The office serves as a two way channel for communication. On the one hand, it supplies the collected, recorded and processed information to the management and on
the other hand, the policy decisions, guidelines and instructions issued by the management to the departments are also routed through the office. The information may be supplied verbally or in writing.

**Fig. 27.1 Basic functions**

| Internal Agencies: Employees, Departments, Management etc. |
| External Agencies: Customers, Suppliers, Govt. Deptt. etc. |

1. Receiving Information
2. Recording Information
3. Analysing and Arranging Information
4. Preserving Information
5. Giving information

**(b) Administrative Functions**

Administrative functions are in addition to the basic functions. But the office cannot hope to work smoothly without them. These relate to the tasks of protecting and safeguarding assets, maintaining and enhancing the operating efficiency, stationery control, choice and use of the office equipments and selection, **training, placement**, and remuneration of the personnel etc. The following functions are normally considered as administrative functions of an office:-

1. **Management functions**
   Various functions of management are also applicable to the management of a office functions. Office work has to be planned, organised and executed according to the plan. Control is exercised to ensure efficiency of operations in the office. Staffing, directing, communicating, co-ordination, motivating are also important for the management of offices.

2. ** Instituting office systems and routines**
   An office has to develop systems and procedures for providing better services to other departments. Each phase of office
work is carefully analysed and a proper procedure is developed for it. Proper sequencing of different tasks is necessary to ensure continuous flow of work.

3. **Procuring stationery and supplies**

Adequate supply of office stationery of proper quality is necessary for the efficient performance of office work. The office purchases standard quality paper, pens, ink and other stationery items, maintains the stock and issues them only on demand.

4. **Designing and control of office forms**

Use of standardised forms simplifies office operations. It is the responsibility of the office to design, standardise, provide and control the forms to be used in the office as well as in other departments of the enterprise.

5. **Purchasing office equipments and furniture**

Efficient and economical performance of office work requires proper furniture, equipment and machines. Office has to arrange for selection and purchase of these items from reliable suppliers. It has also to ensure timely availability of furniture etc., to departments and employees to facilitate proper utilisation, as well as arrange for maintenance, servicing and replacement according to need.

6. **Safeguarding of Assets**

Different types of assets are maintained in an organisation. The assets must be protected against damages and losses on account of fire, theft etc. An efficient control system is exercised by office to safeguard the assets.

7. **Personnel Management**

The efficiency of office work depends very much on the employees. Their appointment, training, promotion, appraisal and welfare are the functions of the office.

8. **Maintaining Public Relations**

An organisation depends on public reputation and goodwill for its existence and progress. Maintaining public relations is also the responsibility of the office. Most organisations have reception counters to greet and receive visitors to the organisation.
The above are some of the more important functions of office. The nature of functions differ from organisation to organisation as per needs.

**Intext Questions 27.2**

I. Match the following

<table>
<thead>
<tr>
<th>Statement</th>
<th>Function</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) The efficiency of office depends on the personnel assigned to different jobs</td>
<td>(1) Forms control</td>
</tr>
<tr>
<td>(b) The office supplies the collected, recorded and processed information</td>
<td>(2) Preserving information</td>
</tr>
<tr>
<td>(c) The cost of office operations are to be kept within reasonable limits.</td>
<td>(3) Personnel management</td>
</tr>
<tr>
<td>(d) Use of standard forms simplifies office operations</td>
<td>(4) Cost reduction</td>
</tr>
<tr>
<td>(e) Unnecessary records should be destroyed to make space for new records.</td>
<td>(5) Giving information</td>
</tr>
</tbody>
</table>

II. Fill in the blanks.

(a) An office is primarily concerned with collection and supply of __________.

(b) The employees, departments and management are __________ agencies.

(c) The customers, suppliers and Government departments are __________ agencies.

(d) All __________ functions are related to receiving and giving of information.

(e) Procuring stationery and supplies is considered an __________ function.
III In the answer column, write ‘A’ for Administrative Function and ‘B’ for Basic Function.

<table>
<thead>
<tr>
<th>Function</th>
<th>Answer</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Maintaining Public Relations</td>
<td></td>
</tr>
<tr>
<td>(2) Recording in Register of Members</td>
<td></td>
</tr>
<tr>
<td>(3) Staffing</td>
<td></td>
</tr>
<tr>
<td>(4) Drafting of letters</td>
<td></td>
</tr>
<tr>
<td>(5) Selection and purchase of equipment</td>
<td></td>
</tr>
<tr>
<td>(6) Filing</td>
<td></td>
</tr>
<tr>
<td>(7) Issue of stock</td>
<td></td>
</tr>
<tr>
<td>(8) Designing office systems</td>
<td></td>
</tr>
<tr>
<td>(9) Preparing Financial Statement</td>
<td></td>
</tr>
<tr>
<td>(10) Collecting Information</td>
<td></td>
</tr>
</tbody>
</table>

27.5 Importance of office

Office is an indispensable part for all types of organisations just like the brain of a human body. It works as the nerve centre of the organisation, and is vital for its functioning. It helps management to plan, execute, communicate, control and co-ordinate activities to achieve the pre-defined objectives of the organisation.

The importance of an office is discussed below:

1. **Office as a service centre**

   Office provides the services of typing, duplicating, printing, providing information from records, supplying forms and stationery etc. No organisation can work smoothly without these services. Therefore, office is sometimes referred to as a service department.

2. **Office as a memory centre**

   All types of information are arranged and preserved in the office and supplied to management as and when required. Various transactions and activities of the organisation which are on record are preserved by the office. Therefore, office may be described as the memory centre, information centre or brain of an organisation.
3. **Office as a channel of communication**
   
   It is through the office that communication, especially written communication, takes place between different departments and different levels of the organisation. An organisation would fail, in spite of the best organisational resources, if the communication system is not effective.

4. **Office as a co-ordinator**
   
   Office maintains links with all the departments of an organization and keeps every department informed about what is happening in other departments. Thus, it provides the basis of co-ordination between departments. For example, office informs the production department about changing tastes and fashion in the market as revealed by the market survey conducted by marketing department. Similarly marketing department is supplied information about the cost of production to fix appropriate prices.

5. **Office as a controller**
   
   Control is a necessary function of management executed through office. It requires (i) establishment of standards, (ii) measurement of performance against the standard (iii) ascertainment of deviation, and (iv) correction of deviations from standards and plans.

6. **Office as an intermediary**
   
   The office maintains contact with outsiders and links the organisation with customers, suppliers, etc. It attends to the enquiries, orders and complaints, and maintains liaison between government and the organisation.

7. **Importance of office to employees**
   
   Maintenance of attendance records, and preparation of wage and salary sheets for timely payment are the responsibility of the office. It is also responsible for operating different employee benefit schemes, like group insurance, provident fund, etc.

8. **Importance of office to customers**
   
   The office acts as a link between the business and its customers. Enquiries, orders, and complaints of customers are taken care of by the office. It also advertises the products and their uses for information of the customers.

9. **Importance to general public**
   
   The office also acts as a link between general public and the
organisation. It is responsible for creating a good image for the organisation in the minds of people.

**Intext Question 27.3**

I. Fill in the blanks

(a) Office is an indispensable part of an ___________ just like the brain of a human body.

(b) Competent ___________ service is a precondition for efficient conduct of affairs of any set-up.

(c) As a/an___________ centre the office collects, compiles and provides the required information to the management.

(d) The office acts as a link between general ___________ and the organisation.

(e) Office works as channel through which ___________ moves from top to bottom and vice-versa.

II. Which of the following statements are True and which are False?

(a) The office is the production department of an enterprise.

(b) The office provides a link between the organisation and outsiders.

(c) The office is responsible for operating employee benefit schemes.

(d) Office work is unproductive work.

(e) Control is a necessary function of management executed through office.

III. Match the following statements with functions :

<table>
<thead>
<tr>
<th>Statements</th>
<th>Functions</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) It provides typing, duplicating filing and recording</td>
<td>(1) Memory</td>
</tr>
<tr>
<td>(b) It requires establishment of standards</td>
<td>(2) Co-ordination</td>
</tr>
</tbody>
</table>
(c) It prepares attendance records, wage and salary sheets etc. (3) Control

(d) It maintains links with all departments (4) Service

(e) It collects, compiles and provides information (5) Employees

27.6 What You Have Learnt

The term ‘office’ is commonly defined as a place where all sorts of clerical work is done. The office is a service department of an organisation. It is concerned with the handling of records of the enterprise. It provides clerical services like typing, duplicating, mailing, filing etc. for all other departments.

The functions of the office may be classified into two broad categories—basic functions and administrative functions. The basic functions are essential to the existence of the office. These include collecting, processing, recording, storing and furnishing information. The administrative functions are organisation of office activities, control of stationery, purchase of equipment, safeguarding of assets, management of personnel etc.

The office occupies the central position in the whole organisation. The office mainly deals with the management of information. It brings about co-ordination between the departments. It also provides for communication—internal as well as external. It tries to project the image of the business. It keeps in touch with the general public and government departments.

27.7 Terminal Exercises

Answer should not exceed 10 words

1. What is meant by ‘paper work’?
2. What is the importance of basic functions?
3. Name two basic functions of an office.
4. Name two administrative functions of an office.
5. Write two points of importance of an office to a business enterprise.
6. Define the term ‘office’.
Nature and functions of office :: 13

7. State the importance of the office.
8. Enumerate the basic functions of the office.
9. What are the administrative functions of office?
10. Is office work unproductive? Explain in brief.

Answer should not exceed 150 words.

11. What is meant by office? Explain its functions.
12. “An office is to a business what the mainspring is to a watch.” Explain this statement.
13. Discuss the significance of office to a modern enterprise.
14. Write the objectives of an office in detail.
15. What is the role of a modern office in business. Explain.

27.8 Answers to Intext Questions

27.1 I (a) Office
   (b) Clerical
   (c) Service
   (d) Paper
   (e) Future
   (f) Objective

II (a) clerical
   (b) nerve
   (c) distributing
   (d) records

27.2 I (a) - 3
   (b) - 5
   (c) - 4
   (d) - 1
   (e) - 2
II. (a) information
(b) internal
(c) external
(d) basic
(e) administrative

III. 1 - A
2 - B
3 - A
4 - B
5 - A
6 - B
7 - A
8 - A
9 - B
10 - B

27.3 I. (a) organisation
(b) clerical
(c) information
(d) communication

II. (a) F     (b) T     (c) T     (d) F     (e) T
II. (a) - 4   (b) - 3   (c) - 5   (d) - 2   (e) - 1