

MAR GREGORIOS COLLEGE OF ARTS & SCIENCE

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DEPARTMENT OF COMMERCE

SUBJECT NAME: OFFICE MANAGEMENT (NME)

SEMESTER: II

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NME–II(B): OFFICE MANAGEMENT

LEARNING OBJECTIVES:

To enable the students to gain knowledge about structure and functioning of an office, Filing system, Records Management, Office Layout and Forms Control.

LEARNING OUTCOMES:

On completion of the course the students would be able to:

- Plan and Practice the functions of office and office manager
- Devise and practice the record management system
- Analyse the cost control methods and prepare office budget
- Acquire the skill of effect form control and control over the office stationeries and supplies
- Practice the office layout principles and maintain office environment

UNIT I : Office Management: Meaning, Definition of office, Functions of Office, Office management - Definition of Functions, Duties, and Qualities of Office Manager - Role of Manager in Office, Planning and Scheduling of Office Work.

UNIT II : Record Management: Meaning, Needs, Principles, Filing Objectives, Characteristics of Good Filing System, Centralised and Decentralised Filing, Filing and Indexing, Office Correspondence Business Information System – Electronic Data Processing.

UNIT III: Office Maintenance Management: Cost Control - Methods of cost reduction and savings-, Organisation and methods (O&M), Need and objectives- Office Work- Work Simplification, Budgetary Control, organization for budgetary control – office budget- Store Management, Housekeeping and Waste Management.

UNIT IV: Forms Control and Stationery: Objectives of Form control, Steps in Form control, Types of Forms and Design, Principles and Control Office Stationary and Supplies, Types of Stationary and Continuous Stationary Purchases.

UNIT V : Office Accommodation and Layouts: Location of Office, steps in office layout, principles of office layout, Office Environment

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UNIT I :

Office Management: Meaning

The term Office comes from the Roman Latin, Officium, a term loosely defined as a 'bureau' or 'a formal position'. In common parlance, it is a place where clerical work is performed and where all kinds of paper work (letters, correspondence, files, records etc.) are dealt with. It is "a central place where all sorts of clerical work is done to co-ordinate and control the affairs of the whole organization".

In the modern days, with growth of industry and commerce, the amount of writing work, correspondence, filing, indexing, computing, scheduling etc. have increased to huge extent. Making or preparing records, using them and presenting them for future reference are office work. In this sense, the office work can be called as a facilitator of the modern management.

Definition of Modern Office:

According to Mills & Standingford "The office is the administrative center of a business. The purpose of an office has been defined as the providing of a service of communication and record".

Importance of Offices:

An office is an important unit of the whole organization which is also regarded as the mainspring of a watch. It has its equal importance in the government sector as well as in the private sector. It is essential for the office to perform a number of administrative as well as clerical functions in the process of achieving the organizational objectives

The importance of office can be explained with the help of the following point:

Information Center: The office serves as an information centre. It collects information from sources like invoices, letters, memos, agreements, vouchers etc., and protects them in safe mode on the basis of their importance for future reference.

Proof of Existence: The office is the evidence for existence and survival of business. As office coordinates the functions of different departments of an organisation, without office no business house can survive. People tend to generalize about the existence of business only with the help of regular functioning of an office.

Channel of Communication:

The office is the channel of communication between different people and department of business. The staffs working at various levels of managerial hierarchy are linked with one another through office. Office transmits the information about the functioning of different departments such as personnel, finance, production and marketing with each other.

Co-Ordination of Work: Business is divided into department and sub-units for bringing simplicity in the operation. The office will work as a coordinator to maintain the relationship between departments. It develops productivity relationship to achieve common goals of an organisation.

Basic Functions (or) Routing Functions: Following are some of the routine functions performed in office.

Receiving and collecting information: It is the primary function of office to receive and collect the information for timely business decisions. Information is generally collected both from Internal sources such as letters, memos, circulars, notices etc., issued by different departments, sections and External sources like government departments, financial Institutions, banks, suppliers, customers, universities, general public etc.

- (b) **Recording of information:** The collected Information has to be recorded for future reference in a suitable form. This recorded information is needed for preparing future plans, policies and taking decisions.

Arranging (or) Processing of Information: All the information received cannot be used as it is. Office has to convert the collected information in the form of notes, reports, diagrams, graphs etc., depending upon the nature of information for easy access and understanding.

Storing Data: The recorded information should be protected for future reference. The degree of necessity of data will determine the duration for protecting the same. Based on the importance of data, office will store them in a separate file.

Communication of Recorded Data: Office has to supply the right information at the right time to different departments and also to outside bodies who are related in some way or the other for prompt and sound business decisions.

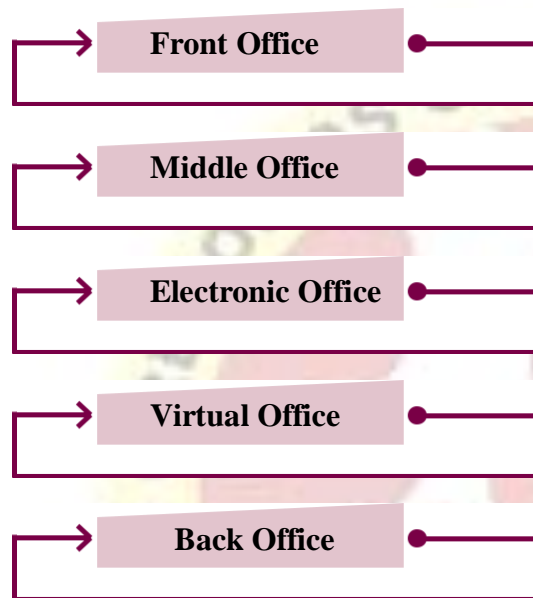
Management Functions: Office work has to be properly planned, organized and executed according to the plan. For efficient functioning of an office the manager has to perform the following function such as.

- Planning.
- Organising.
- Staffing.
- Directing.
- Communication.

Controlling.
Co-ordination.
Motivation.

Developing Office Systems and Procedures: Most important function of the office is to plan and set up suitable systems and procedures for the major activity of office. For the efficient and economical performance of office operations, each major work of the office is to be carefully planned and also the routine procedures for performing them to be determined beforehand itself.

Types of Office:



The following are the different types of offices.

Front office: The front office otherwise called reception. It refers to a company's department that come in contact with outsiders such as clients, suppliers, bankers, financial institutions and general public at large. The front office welcomes visitors, deals with queries of the visitors, and receives mails and disseminates the same to respective departments.

Electronic Office: It is integrated computer systems designed to handle office work. In this office all the activities are carried out with the help of software applications. The aim of e-office is to reduce paper work and speed up business operations. The introduction of e-office improves accuracy and efficiency of organizations and thereby improved their level of service. All modern offices are electronic offices.

Virtual Office: "Virtual Office" implies mobile or remote work environment equipped with telecommunication links and basic office furniture, but without a fixed office space. Office automation has led to the development of virtual office concept. It works just like a physical office but without physical space and facilities. Employees interact with others through portable communication tools such as electronic mail, cellular phone, voice mail system, laptop computer, fax machine, and audio/video conferencing system.

Office Manager:

An office manager is an individual, who is in charge of an office and whose function is to organize and control the activities of the office. He is appointed to head the office. “The office manager is the pivot around which the office function revolves” (Denyer, J.C.).

He extracts the work from the subordinates to achieve organizational goals. It is his responsibility to plan, organize and control the clerical aspects of the organization including the preparation, communication, coordination and storage of data to support production and other important operations of industrial establishments. He monitors the work processes and evaluates their outcome. On the whole he is appointed as an administrative head of office.

Qualifications of Office Manager:

The qualifications of a successful office manager are grouped under the following three heads (i) Education and Practical training, (ii) Experience and (iii) Personal qualities.

Education and Practical training: An office manager must have appropriate educational qualifications. He should possess not only bachelor’s degree in the relevant discipline, but also have proficiency in English and one or more foreign languages. The office manager must also have special training in business administration, accounting, office systems and procedures, office machines and data processing methods.

Experience: He should have sufficient business experience preferably be in a similar organization as the one employing him as office manager. This will enable the office manager to get familiar with the routine procedures of the organization and also the problems of the office that he has to manage.

Personal Qualities: The main task of the office manager is to get the office work done by personnel of the office efficiently and economically. To achieve this objective he must be able to organize, inspire and lead the staff under him. He must also try to understand the ability and aptitude of each individual worker and delegate work to them accordingly. For this he must possess a number of personal qualities such as leadership, sound judgment, sense of justice and fair play, impartiality, sincerity, understanding of human nature, tact, persuasiveness etc.

Functions and Duties of Office Manager:

The scope of office manager’s work is very wide. It differs from business to business and organization to organization and from office to office. No two office manager performs same set of functions. However, philosophers and researchers have classified the functions of office manager as below.

Managerial Functions: The office manager is the administrative head of office. It is his duty to manage the entire affairs of an office. As an administrative incharge, he is expected to perform the following functions.

1. Planning the work to be performed before hand.
2. Forecasting the future demands based on past records.
3. Organising the activities of office.
4. Co-ordinating the activities of various departments.
5. Executing the policies and programmes of the management.
6. Communicating various policy decisions to the functional managers.
7. Designing and implementing new systems and procedures.
8. Reviewing system and procedures periodically and effecting changes in them.

Qualities of Good Office Manager

In the recent years the authority and responsibilities of office manager have grown substantially. They are more involved in policy decisions. The office manager should be capable to face challenges of modern complexities of business world. Dynamic office manager possess the following qualities.

Organising Ability: A modern office manager must be a good organiser. He should organize the office services in such a way that it can be performed smoothly, efficiently and economically. He has to act in the following manner:

Dynamic Leadership: He should be an energetic leader. He should inspire and build confidence in the minds of the subordinates. He must also encourage the subordinates to perform their job effectively and efficiently to achieve the common goals of an organisation.

Innovative: He should be innovative. He should have creative thinking and capability to develop better methods and systems. Moreover, he should always in search of new and innovative methods and techniques of doing the office work in order to increase the efficiency and quality of the work.

Ability to Delegate: Office manager should be competent to divide and allocate the job among the subordinates according to their capabilities. Effective delegation of authority ensures accountability among subordinates and indirectly boosts their moral to a higher level.

Development of Personnel: He should be a demographic leader. He must encourage the subordinates to carry on their routine work without his interventions and also allow them to participate in the decisions relating to their work.

Forward Looking: The office manager should be forward looking. He should be competent to forecast the future, visualize the future problems and devise plan to avoid such problems. E.g. heavy competition, fall of demand, price hikes etc.,

UNIT II

Record Management

Introduction:

The very existence of business organizations, government and other social institutions is based on records. Keeping good records is very important to any business. Record keeping system should be accurate, reliable, easy to follow, consistent as to the basis used and be very simple. Good record keeping is vital in regards to meeting the financial commitments of the business and providing information on which decisions for the future of the business can be based. While business maintains the records to monitor and to record normal business activities, it is also necessary because of obligations under the taxation laws. These records are official documents and also serve as legal evidence in case of emergencies.

Meaning of Records:

Record refers to a document utilized by an organization to carry out its various functions. A 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, payroll, contracts, deeds, progress of work, orders, stock records, estimates, progress reports, financial

Types of Records

Correspondence: Correspondence includes letters, notices, circulars, memorandum, reports etc., received by the firm and the copies of letters sent out. It also includes telegrams and fax messages.

Accounts Department Records: These include all papers or documents connected with accounts of the firm. E.g. invoices, petty cash vouchers, receipts, bank statement, accounting ledgers etc.

□ **Purchases and Sales Records:** These includes all papers connected with purchases, sales and stock keeping of goods handled by the firm, e.g. Price list, quotations, samples, copy orders etc.

Records Management

Records management is a modern business program 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, and use and disposal of records.

According to **Jane K Cruible** “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.

□ **Storage of Records:** The storage is concerned with the classification of records and then filing in the suitable filing equipment which is in the easily accessible location. Arrangement should also be made to protect the records against disaster or unauthorized use.

□ **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.

□ **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.

Objectives of Record Management:

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

□ **To keep an Orderly Account of Progress:** The purpose of writing down and preserving memoranda of transactions, (financial and other kinds) various documents, papers, correspondent etc, are to record the progress of the business. This may be referred to as historical function of records.

□ **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 play a vital role in today’s business.

□ **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.

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. **5.4. Filing:**

Filing can be described as the core of records management. It is rightly said that the keystone of office organization is the maintenance of comprehensive, simple and efficient filing system. Filing cannot be treated as an unimportant function of the office, perhaps it is the most important amongst its functions. **Denyer** gives a very simple definition of filing. He describes it as the “process of arranging and storing records so that they can be located when required, “thus filing as process has following major objectives

Proper arrangement of records, (ii) Careful storing of records, (iii). Easy availability of records without these objectives in view, filing system will not be useful and so the organization can not function successfully **G.R Terry** has defined filing as “the placing of documents and papers in acceptable containers of document and paper 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”.

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 storehouse of information relating to past events. They can be referred conveniently if they are filed in a systematic manner and a proper index is maintained for 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 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 evidence when a party to the dispute resorts to the process.

4. Prompt Handling of Correspondence:

Filing enables the handling of 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 to decisions are based on relevant facts and figures.

8. Increased Efficiency:

Filing increased 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.

ORGANIZATION OF FILING:

In any large business establishment, the management has to decide whether filing should be centralized (i.e.: Spread among the different departments). The main object filing is speedy and accurate location of records at minimum cost. This is best achieved under the centralized filing arrangement.

Centralized Filing of Records or Centralized Filing:

Centralized filing of records refers to graphing 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 centralized index plan. Central file comprises papers relating to general correspondence, office branch correspondence, orders, invoice, vouchers, estimate, quotations, credit and debit memos and other papers which several departments need to refer.

Merits of Centralized Filing:

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

Demerits of Centralized Filing:

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

2. Decentralized 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.

- Merits of Decentralized Filing:** The disadvantages of centralized filing are the advantages of decentralized filing and vice versa.
- It is more suitable where the information relating to a department is of confidential nature.
- It is useful when departments are located far away from the filing department. This system is useful when certain papers are relevant for one department only.
- There may be delay in locating records under centralized filing. Decentralized filing is recommended in order to remove inconvenience likely to result if the records are not located on time.

(ii) Demerits of Decentralized Filing:

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

Types of Filing:

The important types or methods of modern filing are:

- Horizontal or Flat Filing:** Under this method the documents or letters are placed in a horizontal or flat position one on the top of another in order of date and the latest is on the top.

The letters are filed along with their replies. These files come in a variety of folders. More important of horizontal files are discussed below:

- ❑ **Lever Arch Files:** It is a very popular type of horizontal file. It can be described as a strong card-board folder which contains strong metal arches which can be opened with the help of a lever. Records to be filed are punched with two holes with the help of the punching machine either at the top or on the left hand side of the forms, and are then files on the metal uprights, 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. The great advantage of this file is that papers can be inserted or taken out with great ease without disturbing the order of other papers in the file. The file also offers the advantage of proper preservation of papers free from mutilation and dust, if the files are stored properly in the almirahs.
- ❑ **Flat Files:** The “files” (or covers) are made of cardboard or thick paper. A separate cover is allotted to each subject or customer, which contains all the relevant correspondence and documents in this file. The received letters and invoices posted and other relevant documents get filed in the chronological order where a letter or a document needs to be filed at more than one place, the necessary number of copies is made and filed in each relevant file. The flat file has metal hinges which are inserted into the holes punched by the punching machine.

The prepared files are stored in almirahs and placed on top of each other. They are also stored in drawers

Advantages of Horizontal Filing:

- ❑ It is a simple method to operate.
- ❑ It is a cheap method to install.
- ❑ The papers are kept in order in which they have been filed.
- ❑ Speedy reference can be made to papers without removing them.

Drawbacks of Horizontal Filing:

- ❑ Papers cannot be taken out without dislocating other papers because the latest document is on top where a flat file is used.
- ❑ Where a file has become bulky, location of papers become very difficult.
- ❑ It is suitable for offices where transactions are not many.
- ❑ This method does not allow for expansion behind a certain point.
- ❑ It requires an index to find out the concerned file.

2. Vertical Filing:

This method of filing can be said to be the most modern. It is so named because the contents are kept in an upright or standing position. This method of filing is the result of the growing needs of business organization. The greatest drawback of the horizontal filing is the time consumed in locating a paper or document. As the business expands, the bulk of papers increases and location of a paper becomes difficult and time consuming activity, vertical filing eliminates this drawback of horizontal filing. Hence it has become a very popular method of filing in large offices where number of subjects is large.

Advantages of Vertical Filing:

Vertical filing offers many advantages over horizontal filing, which are summarized below:

- **Economical:** Vertical filing is more economical on account of two reasons.
The folders are cheap, and
Many folders can be accommodated by a single filing cabinet.
Hence there is saving in terms of money as well as space.
- **Ready Reference:** Any paper can be traced without wasting time. This is possible because there is a separate folder for each customer or subject and its contents are easily known due to description given on the tab or projected part of the back sheet. Besides, any paper can be inserted and taken out with great ease in a short time.
- **Elasticity:** Filing cabinets provide ample scope for expansion of filing facility. A single drawer can accommodate a large number of folders. As the number of folders increases the same drawer can be accommodate more folders upto some extent.
- **Safety and Security:** Greater safety is another feature of this method of filing. Papers do not get torn or gather dust since they are well- protected by manilafolders kept safety in drawers, which can also be locked to provide security to confidential documents.
- **Universal Application:** Vertical filing has proved useful in preserving all types of papers, documents and memorandum. Orders, invoices, letters, quotations, tenders, government circulars, etc., can be filed with great ease and preserved without difficulty.
- **Adaptability:** Vertical filing can be easily adapted to all types of classification. The folders can be arranged alphabetically, numerically, geographically, subject-wise or on some other basis according to the needs of an individual office.

Classification of Files:

There are five methods of classification. They are:

Alphabetical Classification

Numerical Classification

Geographical Classification

Subject Classification and

Chronological Classification.

□ **Alphabetical Classification:** Alphabetical classification is based on the occurrence of the letters in the alphabet as it is done for the dictionary.

Telephone directory is another example. If several names occur having the first letter, the arrangement takes into account the subsequent letters also, for example:

A, AB, AC ----- etc

B, Bb, BC ----- etc.

2. Numerical Classification:

In this method of classification, each folder or record is given a number, and the files are placed in strict numerical order. For example Mr. Gnanasekar Ltd, may be assigned No 25. If they deal in a number of lines, each line may be classified with a number beginning with 25, for example, 25.1, 25.2, 25.3, etc.,

The system of numerical classification is generally recommended for filing of orders, sales, invoices, contracts, (where numbered) and committee minutes. **3.**

Geographical Classification:

As the name implies, this classification is based on the geographical origin of a document or paper. This system is combined with one of the two systems already discussed. The classification can be town-wise, district-wise, state wise, country-wise and continent-wise.

The steps in geographical classification are outlined as follows:

- (i). First of all geographical limits are set and areas are defined which will make one unit, for example, in export-import trade
- (ii). Next step will be to arrange these countries in their alphabetical order, for example, Algeria, Bolivia, Canada, France, Great Britain, USA and USSR, etc.,
- (iii). Within each sub-division classification of different parties may be arranged alphabetically or numerically. Such method of classification is very useful for customers' orders in a given area and for filing of correspondence according to town.

4. Subject Classification:

It is a method of classification in which all documents relating to a subject are brought together in one file, even though they may have come from different sources and from many different people. Following steps are taken to install subject classification

- a. Defining Subject
- b. Sub-dividing subjects into smaller fractions
- c. Assigning numbers or arranging subjects in alphabetical order, including sub-subjects, and
- d. Miscellaneous folders are made for subjects which have not been classified.

Example:

Main Subjects Classified:

Purchases

Sales

Advertising

Sub-division of classified subjects:

Purchases ----- Scooter Parts.

Purchases ----- Tractor parts.

Purchases ----- Motor Parts

5. Chronological Classification

Under this method various records are identified and arranged in strict date order and sometimes even according to the time of the day. It is a useful method for filing invoices and other vouchers associated with accounts.

This system may be useful if used along with some other system. The records may be arranged alphabetically first and then can be arranged date-wise within each folder. So this system cannot be used independently.

Indexing:

Index is anything that “points out” or indicates. Indexing can be described as a method of providing indicators for a body of data or collection of records. The term “indexing” should not be confused with the term “classification”. Classification is the method of filing while indexing is basically the method used for making reference to the matter filed.

Objectives of Indexing:

The principal objective of indexing is to assist filing so that filed papers are located easily and quickly whenever they are needed. Indexing thus adds to the efficiency of the filing method. It ensures speed and consequently economy results due to increased speed. The objective of indexing is best achieved where the right type of indexing system is chosen. Where files are arranged in geographical-cum-alphabetical or only alphabetical order, an index is not needed. However, in other systems of classification, it becomes essential to provide an index for customers, suppliers, credit ratings telephone numbers and soon. Index is also required for different kinds of registers and ledgers.

Essentials of a Good system of Indexing:

In order to achieve its objectives, a good system of indexing should have the following essential features;

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

Advantages of a Good System of Indexing:

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

- Easy Location:** The required papers and documents are located very easily with the help of their index. Referencing is not a painful process.
- Easy Cross-Referencing:** A good system of indexing also ensures easy cross-referencing and thus saves on time and botheration.
- Lower Costs:** The operating costs of records administration are also low due to improved efficiency of the records administration. Time is not wasted in locating the necessary documents or papers.

Systems or Methods or Types of Indexing

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

- 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.

Merits of Page or Book Index:

- It is very cheap and simple method.
- It requires less space.
- It can be carried from one place to another.

Demerits of Page or Book Index:

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

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 alphabetical or numerical order and are placed in drawers or boxes which may have a rod running from one ending 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.

- As catalogue of books in library;
- To contain specimen signatures of customers in bank.
- To contain addresses and other particulars of customers;
- To maintain accounts of store items;
- To maintain history of employees;
- To keep records of installment sales.

Merits of Card Indexing 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.
 - Each card may be ruled according to the particulars desired to be recorded.
 - Ready information is available for different purposes, e.g., for knowing the number of customers in a particular territory.

- 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.
- The index is always alive since the dead cards are removed and transferred to dead cabinets.
- Card index can be used by a number of persons at the same time.

Demerits of Card Index system:

- There is danger of separate cards being lost by the persons who take them away from the drawers for reference.
- Ready reference may be difficult if the cards are allowed to be removed freely from the drawers.
- Card index is blind since cards are not visible at a glance.
- Card indexing is comparatively costlier than page indexing.
- Card gets torn or spoiled through constant handling. Thus, they have to be replaced from time to time.

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 1000 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 brakes 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.

Index Merits of Wheel Index:

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

ELECTRONIC DATA PROCESSING

Introduction:

Electronic data processing (EDP) enables the firms to quickly process large volume of data accurately through application of computer. It applies variety of logical and mathematical decision making techniques to carry out the functions of data processing with predetermined priorities of the data. EDP increased the output of the work and efficiency by adopting proper

mechanisms of storing, maintaining and retrieval of data when needed, based on the purpose which is meant for.

Meaning:

The word 'data' is the plural of 'datum' though data is commonly used as both in the singular and plural forms. Data refers to any fact, observation, assumption or occurrence. Data are facts which form the basic material to be processed to produce information. Data are compiled to form reports, figures or documents etc. Data can be a form of numerical or alphabetical characters or special symbols (viz=,+,% etc) . Some important data definitions are given below.

Digit: A simple numeric character 0, 1, 2 ...9.

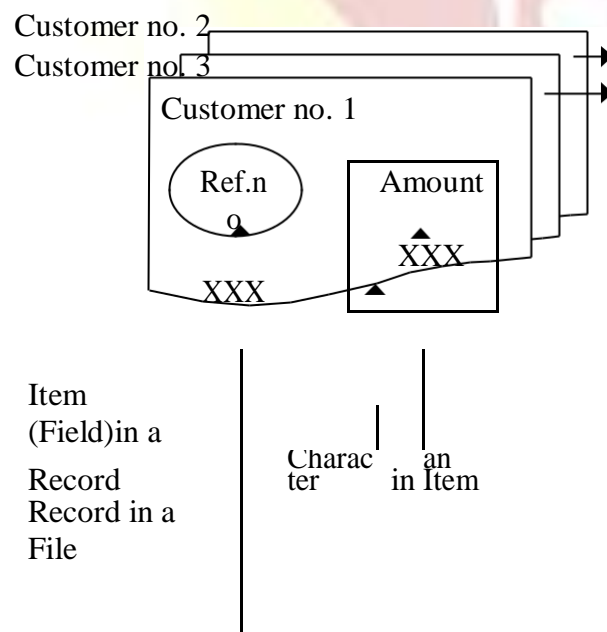
Character: A simple alphabetic, numeric or special character that is used to represent data. For example,0,1,2 ...9, A, B, C.....Z, +,-,%, etc.

Data item (field): A set of characters which are used together to represent a specific data element, e.g., a name items contains the alphabetic characters in a name, and an amount of items that contains the numeric in an amount.

Record: It consists of a group of data items related to an object of data processing e.g., a payroll, record of an employee which contains data fields as name, age, qualification, sex, wage rate etc.

Data file is a compilation of related data records maintained in some pre-arranged order. Files are usually created function-wise e.g., a payroll file might consist of 1,000 individual employees data records and the records might be arranged in file by employee number.

The relationship of a character, data item, record and the file is shown in figure 1 below



Types of Data:

Data are broadly divided into two types namely quantitative (or numeric) and qualitative:

- **Quantitative Data:** Quantitative or numerical data refers to the observations that can be counted or measured. The data are said to be discrete if the measurements are integers (e.g. number of members in a family, number of students in the classroom, number of chocolates consumed per day) and continuous if the measurements can take on any value, usually within some range (e.g. weight).
- **Qualitative Data:** Qualitative data is descriptive information (describes something). It arises when the observations fall into separate distinct categories. Since qualitative data always have a limited number of alternative values, such variables are also described as discrete.

Examples are: Colour of eyes: blue, green, brown etc

Exam result: pass or fail

Socio-economic status: low, middle or high.

Qualitative Data is broken down into

Two Sub-Types:

- nominal if there is no natural order between the categories (e.g. eye colour), or
- Ordinal if an ordering exists (e.g. exam results, socio-economic status).

Data Processing – Meaning:

Data processing means taking raw data (facts and figures) and processing them manually or with the help of machines to produce, organized and useful information. It is restructuring/or recording of data to increase their usefulness and value for some particular purpose. Data processing can be performed

- Manually with the aid of simple tools as paper, pencil and filing cabinets
- Electro-mechanically with the aid of unit record machines
- Electronically with the aid of a computer.

Data processing is a series of operations that use information to produce a result. Common data processing operations include validation, sorting, classification, calculation, interpretation, organization and transformation of data.

Electronic Data Processing:

Electronic data processing (EDP) refers to the use of automated methods to process commercial data. Typically, this uses relatively simple, repetitive activities to process large volumes of similar information. For example: stock updates applied to an inventory, banking transactions applied to account and customer master files, booking and ticketing transactions to an airline's reservation system, billing for utility services.

The term electronic data processing dates back to the 1960s when automation began to replace manual data processing tasks. In modern times, the term tends to be associated with large scale automation of administrative tasks. Data processing is manipulation of data by a computer. It includes the conversion of raw data to machine-readable form, flow of data through the Central Processing Unit (CPU) and memory to output devices, and formatting or transformation of output. Any use of computers to perform defined operations on data can be included under data processing.

Data Processing in a Computer:

Computer data is information processed or stored by a computer. This information may be in the form of text documents, images, audio clips, software programs, or other types of data. Computer data may be processed by the computer's CPU and is stored in files and folders on the computer's hard disk.

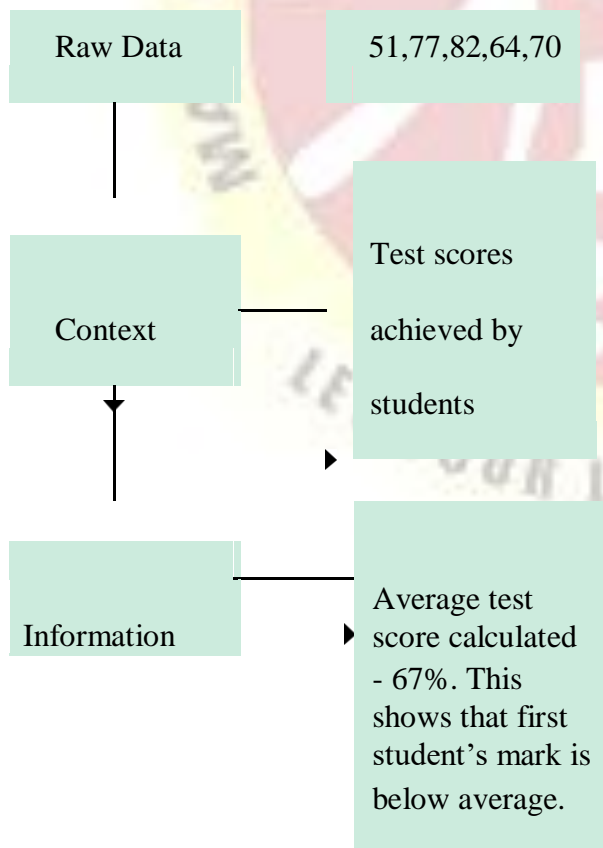


Fig.6.2. Data processing in Computer

Hence, data processing is defined as series of actions or operations that converts data into useful information. The data

processing system is used to include the resource such as people procedures, and devices that are used to accomplish the processing of data for producing desirable output. Data processing is restructuring or recording of data to increase their usefulness and value for some particular purpose.

Objectives of Data Processing:

The following are the objectives of data processing:

- To provide mass storage for relevant data.
- To make easy access to the data for the user.
- To provide prompt response to user requests for data.
- To eliminate redundant data.
- To allow multiple users to be active at one time.
- To allow for growth in the data base system.
- To protect the data from harms like physical and unauthorized access.

Types of Data Processing Systems:

Types of data processing can be understood on basis of methods and technology adopted. Generally mechanical and electronic data processing is used and at times manual data processing is used. According to their working, Data processing systems can be of different types:

- Manual :** In manual data processing system, whole processing is done manually without use of machine or electronic device i.e. the clerical staff that perform data processing in an organized way with the goal of producing meaningful information. This method is slow and less reliable, chances of error are high and this method is very old when technical innovations were few and rare. This also makes processing expensive and requires large manpower depending on the data required to be processed. Data acquisition, filing, storage, processing, calculation, output production, all these tasks are done manually.
- Mechanical Data Processing:** Data processing is done by use of mechanical device or very simple electronic devices like calculator and typewriters. The advantage of this method is more reliability and saving of time as compared to manual data processing but still the output is limited. Any device which facilitates data processing can be considered under this category.

- **Electronic Data Processing (EDP)** : This is the fastest and best available method with highest reliability and accuracy. With the growth of the organization, it becomes inefficient to process large amount of data with high accuracy through manual or mechanical method. EDP offers better method of data processing at a low cost as it relies on the computer and principles of electronics for processing data.

Modes of Data Processing:

Modes of processing data involve the following:

Interactive Computing or Interactive Processing: refers to software which accepts input from humans — for example, data or commands. Interactive software includes most popular programs, such as word processors or spread sheet applications. By comparison, non-interactive programs operate without human contact; examples of these include compilers and batch processing applications.

Transaction Processing: is information processing that is divided into individual, indivisible operations, called transactions. Each transaction must succeed or fail as a complete unit; it cannot remain in an intermediate state.

Batch Processing: is execution of a series of programs (“jobs”) on a computer without human interaction. This is one of the widely used types of data processing which is also known as serial/sequential, tacked/queued or offline processing. The fundamental of this type of processing is that different jobs of different users are processed in the order received. Once the stacking of jobs is complete they are provided/sent for processing while maintaining the same order. This processing of a large volume of data helps in reducing the processing cost thus making it data processing economical.

Examples Include: Examination, payroll and billing system.

. Components of EDP:

The electronic data processing cycle consists of four stages, or components.

- **Input:** Input refers to all the activities associated with recording data and making it available for processing.
- **Processing:** After data is recorded and converted into an appropriate form, it must be processed.
-

Components of EDP

- **Input:** A computer must receive both program statements and data to solve problems. The entry of program statements and data into a computer occurs by means of an input device such as keyboard, mouse and joystick. Regardless of the type of device used they are all instruments of interpretation and communication between people and the computer.

- **Central Processing Unit (CPU):** CPU is the heart of the computer which makes comparisons, performs calculations, reads, interprets and controls the execution of the instructions. it consists of three separate sub-units.
- **(1)The Control Unit** – Control unit supervises the operations of the entire computer. The control unit instructs the input device when to start and stop transferring data to storage unit and it instructs the storage unit when to start and stop transferring data to output devices.

Thus the control unit does not perform the actual processing operations of the data. Rather, its function is to maintain order and direct the flow of sequence of operations and data within the computer.

(2) The Arithmetic / Logic Unit: Arithmetic and logic unit performs mathematical calculations, compares numeric and non-numeric values and makes decisions. The data flows between this unit and the storage unit during processing.

Storage: Storage consists of primary and secondary storage. Primary storage of the computer consists of the devices used to store the information which will be used during the computations. The storage section of the computer is also used to hold both intermediate and final results as the computer proceeds through the program. Common storage devices are RAM. Since the primary storage capacity of computers is limited it is not always possible to hold a large volume of data and instructions in the primary storage. Hence it becomes necessary to have secondary or auxiliary storage for holding data and programs not currently in use. The various secondary storage devices are CD, DVD, USB flash drive (Pendrive), Hard disk etc.

Output Devices: Output devices are used to record the results obtained by the computer and present them to the outside world. They take information in machine coded form from storage unit and convert them typically into a form that can be used i.e. printed forms. The most commonly used output devices are printers, visual display unit, monitor etc.

Hardware: Hardware is the physical aspect of computers. Computer hardware is the collection of physical parts of a computer system. This includes the computer case, monitor, keyboard, and mouse. It also includes all the parts inside the computer case, such as the hard disk drive, motherboard, video card, and many others. These are called hardware since these components can be seen and touched by the user.

Software: The sets of computer program instructions that direct the operation of the hardware are called software. A complete set of instructions to execute a related set of tasks is a program. These are called software because the programmes cannot be seen or touched. Software instructions are termed as code. Software can be divided into two major categories

- **System Software :** System software means the operating system. It is the collection of programs that directs a computer to perform functions associated with controlling and directing computer hardware and also determines how application software is run.

Application Software: Application software refers to the computer programs written for an individual application such as payroll processing or personnel skill analysis. They generally

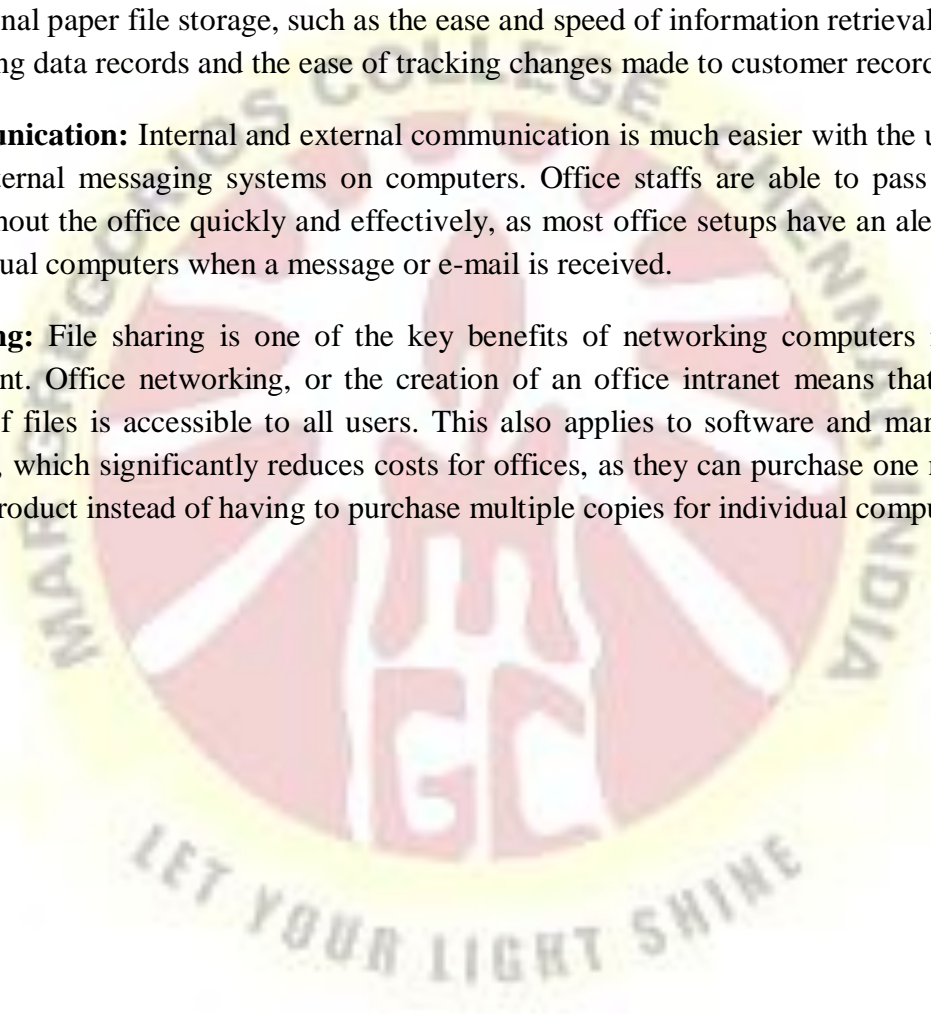
require system software in their execution. For example, the application program may specify reading data from a record stored on a disk; the operating system provides the instructions to manage the physical reading of the record from disk storage.

Role of Computers in Office:

The following are the major role of computers in office

- **Data Storage:** The data storage and retrieval capacity of computers are greater and more advanced as technology improves. Files are easily retrievable through search functions, and hard drives can hold extraordinary volumes of files and data. For offices with large databases this data storage and retrieval function provides unparalleled advantages over traditional paper file storage, such as the ease and speed of information retrieval, the ease of changing data records and the ease of tracking changes made to customer record.
- **Communication:** Internal and external communication is much easier with the use of e-mail and internal messaging systems on computers. Office staffs are able to pass information throughout the office quickly and effectively, as most office setups have an alert system on individual computers when a message or e-mail is received.

Networking: File sharing is one of the key benefits of networking computers in an office environment. Office networking, or the creation of an office intranet means that a common database of files is accessible to all users. This also applies to software and management of computers, which significantly reduces costs for offices, as they can purchase one networkable software product instead of having to purchase multiple copies for individual computers.



UNIT III:

OFFICE MAINTENANCE MANAGEMENT:

Office Cost Control: Reduction, Problem and Implementation

Reduction of Office Expenditure by Cost Control:

Cost control can be defined as the control of all items of expenditure by frequent and regular comparisons of actual expenditure with predetermined standard of budgets, so that undesirable trends away from standard can be detected and corrected at an early stage.

Cost control therefore involves the following steps:

1. Determination of cost standard for each item or element.
2. Finding out the variation in cost from the standard set.
3. Taking the corrective steps to ensure that actual costs are the same as the standard cost in the future.

Every aspect of office management deals directly or indirectly with cost control. However, effective management of the operation of the office needs a planned programme of cost control. Such a programme includes determination of unit cost for all possible aspects of office operation.

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It tries to determine how much each unit of operation costs and how much each should cost. It identifies the different units of operation so that these costs can be charged to the production functions that actually use these specific offices serving rather than to the overheads.

Problem of Office Cost Control:

Cost control in the office is a baffling proposition although it is so essential. Cost data of office operation is necessary to fix up the prices of the company's product and to analyse the company's product line to determine when the products are not beneficial to the general operation.

Office cost control poses a number of problems, most important of which are:

1. Problems of Variety and Quality of Office Cost: Office has a great variety of activities and thus it is not easy to establish rigid classifications and unit cost. These activities are composed of many factors, some of which are un-important. Many people in the office work at different levels of responsibility. These details and variations makes costing a very complex problem because it cannot be done on the basis of specifically identifiable unit of office operation.

2. Problems of Practicability of the System:

Although a detailed office cost system is possible, it is a great problem to determine whether the system is practical. A fact to be remembered is that cost analysis in the office is a big problem since office costs are small items and a detailed analysis is often more expensive than the savings realised, and, hence, it is not practicable.

3. Problems of the Operation to Be Costed Etc.:

Since costs can be obtained on all kinds of office operation, it is difficult to decide as to which operation should be accountable. What should be the level of accuracy? The decision depends upon the cost of the analysis, possible economies due to analysis, and the use of the data.

Implementation of Office Cost Control:

In order to implement cost control in the office, the following points are to be noted:

Classification of Costs:

Office costs are obtained from the payroll records, labour records, purchase and sales invoices and accounting and other records.

(a) Salaries, benefits and expense accounts of office employees and supervisors 60% -70%

(b) Materials like supplies, stationeries, postage, telephones, telegrams, telex and massager service 15% -20%

(c) Overheads such as maintenance and amortization of office machine, appliance, lighting, taxes, insurance 15% -20%

In the Indian context or, for that matter, in the context of any developing country, these percentages have to be changed to suit the conditions in which the enterprises operate. These percentages should be determined on the basis of past record. In the case of most of the Indian enterprises the percentage of salary, wages, benefits is bound to cover 50% to 60%

Office cost can be further divided into typical cost accounting system and classification, which is:

(a) Direct Material:

It is a part of the office product, i.e., forms, letter-heads and postage.

(b) Indirect Materials:

Which is not part of the office product but which is necessary to do the work e.g. eraser, pencil, rubber, stamps, typewriter ribbon etc.,

(c) Direct Labour:

Which is applied to the office product by typist, clerks, stenographers and the machine operators.

(d) Indirect Labour:

Which is not directly applied to the office product e.g. the work done by the maintenance staff or the OM department.

(e) Overheads:

It is not applicable specifically to any part of the office product and services e.g. light, heat, rent and taxes, telephone, supervisor etc.

Definition of Organisation and Methods (O & M):

Continuous checking of office work at every stage and continuous research for the improvement and simplification of office methods is collectively known as Organisation and Methods or O & M study. Office Work Simplification is the American name for what is known as O & M study.

This idea developed during the Second World War for the improvement of the administration in Government offices. Then it was adopted in big business concerns. Now it is being attempted even in small concerns. An individual may be appointed or a separate department may be set up for the purpose.

Such a department shall be independent of others and the personnel of this department shall not be involved in any kind of routine work in the office. The services of Management Consultants from outside may be sought. O & M assignment may be for one kind of activity like, use of forms, means of communication, etc. or for the entire office organisation.

Aspects of Organisation and Methods (O & M):

There are five aspects of an O & M assignment. They are:

(a) Determining the Purpose of the Assignment:

At first it has to be clearly known what is the purpose or object of the assignment. It has to be written down and then a plan of action has to be chalked out.

(b) Planning the Assignment:

Like any other work, planning is also necessary for O & M study. What shall be the procedure and extent of study depends on the size of the department or departments under study and the area of operation.

(c) Collecting the Data:

Different data have to be collected about the department or departments concerned. This can be done by issuing Questionnaire forms to the departments. The data collected must have relevance to the O & M study otherwise there will be wastage of time, money, and energy.

(d) Making Analysis of the Procedure:

Every stage of an office procedure has to be carefully analysed. Queries will be made on every aspect of a procedure—about its purpose, about its method,, about forms and documents used, about the time taken and also about the persons who do it.

(e) Making Proposals:

After facts have been collected and queries have been completed, a broad outline on the improvement of the procedure is prepared. There may be a number of alternative better methods. The best method as a recommendation is submitted as a proposal for necessary action by the administration. The proposal may include a suggestion for employing additional staff or retrenchment.

The suggestions may be resented by the clerical staff if they think that their interests are going to be badly affected. The office manager has to introduce the change in a very tactful manner ensuring the support of the clerical staff.

The success of O & M study depends on the staff cooperation. O & M study team must not be treated as a 'fault finding commission'. The object of O & M study is to make the staff efficiency-minded. The new and improved procedure may be given a trial at the beginning and then it is finally adopted.

Advantages of O & M:

- (a) On the whole, application of O & M technique leads to the improvement of the methods of operations, the organisation as a whole and its administration.
- (b) Particularly there are the benefits of work simplification, better communication, more effective control, prevention and reduction of faulty steps, etc.
- (c) There can be introduction of new techniques of operations as well as new equipment resulting into higher productivity.
- (d) There is general improvement of the staff as more care is taken in selection and training.
- (e) Work measurement and job evaluation become more practicable which is beneficial for the staff because the rates of remuneration, promotion etc. depend on it.
- (f) There is greater security as many kinds of wastage, fraud etc., are detected and prevented.

(g) Finally, there is cost reduction and enhancement of prestige of the organisation.

Disadvantages of O & M:

(a) It is itself a costly affair.

(b) Small organisations cannot afford to have a separate department for O & M, though services of experts in the line can be obtained on contract basis.

(c) It is difficult to make proper application of O & M. Too much work simplification is bad.

From the above two, i.e., budget and the budgetary control, these two relative terms are not only interrelated but also interdependent. From the managerial point of view, one without the other is useless and is a wasteful exercise.

Importance of Use of Office Budget:

The use of office budget in the office is important on account of the following factors:

1. Planning and Control:

Planning is an important function of management. It is only through the budgetary control that the function of planning is given a proper shape. Another important function of management is control. Budgetary control is a potent weapon of controlling. It helps to control performances.

Meaning of Office Budget:

An office budget can be defined as **“a device consisting of an orderly arrangement of data determined by computed guesses and covering all phases of the enterprise for a definite future period of time”**.

Budgetary control is the process of using the budget by comparing actual results with the computed guesses in order to correct either the method or the technique by which the results are compared with the anticipated expenditure, income and production targets.

2. Helps in Decision Making:

Budget provides a great help to a member of management in decision making. He gets the factual information of goals and respective accomplishments shown by the budget.

3. Balancing:

Budgetary control promotes an overall viewpoint. A budget helps the office manager by encouraging a desired balance amongst the various office activities.

4. Revealing Weakness of the Office Structure:

The use of a budget helps to reveal weakness in the office organisational structure. The units, departments, or divisions which have a excessive high expenditure can be marked for managerial attention.

Limitation of Budgetary Control:

Budgetary control, as a device to control the office cost, has its own limitations, most important of which are:

1. Limitation as To the Accuracy of Forecast:

he budgets are limited by accuracy of the forecasts. To achieve this, it would be better to review every month or three months so that the developments or changes of conditions are reflected in the budget.

2. Only a Managerial Tool:

Budget is a tool. It is not management by itself. A budget is not automatic in its operation. It is, therefore, necessary to take a great care in its preparation. It is also essential to interpret the data properly.

3. Limitation as to Time:

The use of a budget needs time. Current ills are not cured overnight by the budget. It is not possible to rush through correction or elimination of the undesirable conditions. Budgetary control takes its own time to be applied.

Kinds of Office Budget:

It is possible to draw up a separate budget for any department or division of our enterprise. Often separate budgets are prepared for sales, purchase, production, finance, labour and general expenses. Such a type of budget is called the departmental budget or the division budget. It can

also be prepared for the office in our organisation, where office is an important part of the organisation.

Budgets are usually prepared in terms of money but today it is recognised as a useful practice to prepare budget in physical terms as well. The physical resources needed to achieve the physical target figures in the budget. The budget may thus be a money budget and the physical budget.

Then there is another kind budget. The object of this type of budget is to predetermine the action to be taken if a variation from the estimate goal arises. This budget shows the allowances at a certain level of activity and also the allowance at various levels. In practice, the deviations are estimated from the allowance for the established goal.

Preparation of Office Budget:

The office budget can serve its due purpose only if it is prepared properly. To do so, it is desirable to keep to the following principles of preparation of office budget in view. Proper care should be taken to prepare the office budget; it involves money, time and a lot of individual effort to prepare a budget. Already prepared budget is useless and expensive exercise.

To achieve the objective of a budget, the following steps are to be taken to prepare the budget:

1. Classification of Office Expenses:

Where office expenses are an important part of an organisational setup, it would be proper to define them properly.

Broadly speaking, office expenses can be classified as:

- (a) Fixed—like Lease, Rent,
- (b) Semi-variables—like supervision, and
- (c) Variable like Filling cost.

2. Allocation of Office Expenses:

The office budget must allocate office expenses to various departments carefully.

There are two type of office expenses:

(a) Direct—which can be charged directly to the operating department, e.g. The depreciation of machine and equipment, and salaries of staff used exclusively for a particular department

(b) Indirect—which can be charged directly to the operating departments but which are allocated to these departments on a sound basis, e.g. Expenses for the centralised filling system, centralised O & M etc.

3. Consulting the Staff:

The supervisors are consulted about the various aspects of the budget. The past performance of each department is evaluated and target for further performance is laid down on the basis of the goal and the objectives of the organisation.

4. Fitting into the Master Budget:

The completed office budget has to be incorporated into the master budget. The Office Manager should see to it that the integration of the office budget into the master budget is proper. The office manager should not be selfish. He should be willing to make suitable adjustments in his budget if the organisational needs so demand.

5. Writing the Budget:

The next step in budgeting is writing the budget. The budget should be written with care. Suitable explanations, where needed, should be given.

6. Transmitting the Budget:

This is the final and the most important step in budgeting. The budget must be sent to all the departments and the executives who are suppose to implement it. The copies of parts of the budget should also be sent to the cover level executives who are responsible for the implementation of a particular part of a budget.

Store-Keeping: Meaning, Types, Objectives Functions and Working of the Stores

Store-Keeping: Meaning, Types, Objectives Functions and Working of the Stores!

Meaning:

After the completion of purchase procedure, the next important aspect Of materials management is storekeeping.

A storehouse is a building provided for preserving materials, stores and finished goods. The in-charge of store is called storekeeper or stores manager. The organisation of the stores department depends upon the size and layout of the factory, nature of the materials stored and frequency of purchases and issue of materials.

According to Alford and Beatty “storekeeping is that aspect of material control concerned with the physical storage of goods.” In other words, storekeeping relates to art of preserving raw materials, work-in-progress and finished goods in the stores.

Types:

Stores may be centralised or decentralised. Centralised storage means a single store for the whole organisation, whereas decentralised storage means independent small stores attached to various departments. Centralised storekeeping ensures better layout and control of stores, economical use of storage space, lesser staff, saving in storage costs and appointment of experts for handling storage problems. It further ensures continuous stock checking.

It suffers from certain drawbacks also. It leads to higher cost of materials handling, delay in issue of materials to respective departments, exposure of materials to risks of fire and accident losses are practical difficulties in managing big stores.

On the other hand, decentralised stores involve lesser costs and time in moving bulky materials to distant departments and are helpful in avoiding overcrowding in central store. However, it too suffers from certain drawbacks viz., uniformity in storage policy of goods cannot be achieved under decentralised storekeeping, more staff is needed and experts may not be appointed.

Objectives of storekeeping:

Following are the main objectives of an efficient system of storekeeping:

1. To ensure uninterrupted supply of materials and stores without delay to various production and service departments of the organisation.
2. To prevent overstocking and understocking of materials,
. To protect materials from pilferage, theft fire and other risks.
4. To minimise the storage costs.
5. To ensure proper and continuous control over materials.
6. To ensure most effective utilisation of available storage space and workers engaged in the process of storekeeping.

Functions of Storekeeping:

In the light of above objects, the functions performed by the stores department are outlined below:

- . Issuing purchase requisitions to Purchase Department as and when necessity for materials in stores arises.
2. Receiving purchased materials from the purchase department and to confirm their quality and quantity with the purchase order.
3. Storing and preserving materials at proper and convenient places so that items could be easily located.
4. Storing the materials in such a manner so as to minimise the occurrence of risks and to prevent losses due to defective storage handling.
5. Issuing materials to various departments against material requisition slips duly authorized by the respective departmental heads.
6. Undertaking a proper system of inventory control, taking up physical inventory of all stores at periodical intervals and also to maintain proper records of inventory.

HOUSEKEEPING AND WASTE MANAGEMENT.

1. Cleaning is important for infection control – particularly in work areas – because deposits of dust, soil and microbes on surfaces can transmit infection. Contaminated areas such as operating rooms or isolation rooms must be cleaned after each session, and spot cleaned after each case or thoroughly cleaned as necessary.
2. The following basic principles should be followed:
3. written cleaning protocols should be prepared, including methods and frequency of cleaning; protocols should include policies for the supply of all cleaning and disinfectant products
4. standard precautions (including wearing of personal protective equipment [PPE], as applicable) should be implemented when cleaning surfaces and facilities (see ‘Standard and additional precautions’)
5. cleaning methods should avoid generation of aerosols
6. all cleaning items should be changed after each use and cleaned and dried before being used again. They should also be changed immediately following the cleaning of blood or body fluid/substance spills. Single-use cleaning items are preferred, where possible, such as lint-free cleaning cloths
7. sprays should not be used, because they can become contaminated and are difficult to clean. Sprays are not effective, as they do not touch all parts of the surface to be cleaned
8. detergents should not be mixed with other chemicals
9. all cleaning solutions should be prepared fresh before use.

UNIT IV

OFFICE STATIONERIES AND FORMS

Introduction - Need for office stationeries and supplies-Factors to be considered for selecting stationery- Forms-Meaning of office forms - Definition-Types of forms-E-Forms-Importance and Needs of Forms- Advantages of using Forms- Factors to be considered in Form design – Form sets - Continuous stationery – Loose leaf ledger.

Need for Office Stationery and Supplies:

The need for office stationeries can be well understood by the following points.

- **Cost:** Office stationery and forms occupies a significant place in office management from cost point of view. Generally, the value of office stationery and forms is very small but used regularly in any office.
- **Availability:** The effectiveness and efficiency of the office is based on the adequate availability of office stationery and forms. Every office staff must be provided with the best tools of right type in order to enable them to produce the best possible results.
- **Right Type of Supplies:** Each of the stationery is procured according to the needs of an office. For efficient performance of office work the employees should be provided with right type of stationeries.

Factors to be considered for selecting office stationeries

- The office manager has to decide about the quality, types, and needs of stationery. Besides, the following points have to be considered while deciding the stationery.
- **Standard:** Separate standard is followed for each type of stationery. There is no link of standard with cost. Only utility is taken into account while deciding the standard.
- **Suitability:** The stationery should be capable of satisfying the needs of the office and well suited for the purpose for which they are purchased.
- **Cost:** Clerical operations cannot be carried out in the absence of stationery. Even though, the cost of stationery should not exceed 40% to 50% of the non-salary expenditure.
- **Goodwill:** The letters must give a good impression to the recipient. They create goodwill for the firm.

- 5. Durability:** Cheaper quality stationery has a shorter life. The papers are kept for long period and used as documentary evidence. Hence, superior quality stationery should be used for important matters.
- **Preservation:** The carbon copy of the letter is preserved for future reference. Hence, the letter appears on the carbon.
 - **Performance:** A specified brand of stationery has to be used continuously until the stage of availability of satisfaction. If not so, it has to be substituted by another brand.
 - **Quality:** Stationery has short life if ordinary quality is purchased. The stationery of superior quality will be profitable since it may go for double the time of ordinary quality and incurred low expenses

Forms:

An 'Office form' may be defined as a printed sheet of paper or card with marked headings for entries to be made in hand or by typing. Forms are the basic tools for all types of office work. It is through the office forms all essential information required for efficient conduct of business can be received, recorded, arranged and transmitted in a systematic manner. Generally, the data may be collected from outside sources through bills, quotations, orders, statistical data, return etc.

The ready-made forms help the employees to collect the data without much difficulty. These forms reduce clerical work and collect only required information instead of writing down the whole matter. Hence, the form is printed or cyclostyled format for future use. Forms may be filled in ink or with a typewriter.

Meaning of Office Form:

A form is printed piece of paper containing some information with blank spaces left for the entry of required information briefly by the persons using it. It is called the raw material for office work. Common examples of office forms are invoices, credit notes, debit notes etc.

Definition:

J.C. Denier defines "Printed piece of paper or card on which entries are usually made against marked headings".

Classifications of Forms

Classification

The forms can be broadly classified as under:

I. Based on the Office Function or Operation for Which They are Used, Viz.

Purchase Forms: A purchase form is a commercial document and first official offer issued by a buyer to a seller, indicating types, quantities, and agreed prices for products or services. E.g., Purchase requisition form, Order form

Sales Forms: A sales form is an internal document of the company. It is generated by the company itself for selling their goods.

Correspondence Forms: Any written or digital communication exchanged by two or more parties. Correspondences may come in the form of letters, emails, text messages, voicemails, notes, or postcards.

Accounting Forms: The account form balance sheet is a financial statement format where the assets are reported on the left side and the liabilities are reported on the right side. The account form is kind of a visual representation of the accounting equation.

II. Based on Place of Utilization:

Outside Contract Forms: Forms sent to customers, creditors and other persons (outside the office) with whom the firm does business from the office (e.g., cheques, orders, invoices, statements, vouchers, etc.)

Internal Office Forms: Forms which are used by the employees of a business internally within the office (e.g., memorandum forms, requisitions, accounting forms, report forms, etc.).

Based on the Number of Copies Required:

Single Copy Forms: Single copy form is used to serve the only one purpose and kept by any one of the office employee. E.g. Employment application forms.

Multiple Copy Forms: These are prepared in duplicate or triplicate-the copies being used to transmit information to other departments or used as additional record ex. sub type unit, fan or Z arrangement.

IV. Based on Data Processing:

EDP Forms: EDP Forms which are used on computers and other data processing machines.

Non-EDP Forms: These forms are not used in EDP but are otherwise used on typewriters or to write in hand etc.

E-Form (Electronic Form):

An e- form is a computer program version of a paper form. E-forms eliminate the cost of printing, storing, and distributing pre-printed forms, and the wastage of outdated forms. E-

forms can be filled out faster because the programming associated with e-forms can automatically- format, calculate, look up and validate information for the user.

Need for Office Forms:

Modern business depends much upon record. “A record is any written data that is made for possible future use.” Forms are needed together and preserve information for present and future use. Need for office forms arise as they serve the following purposes:

- Gathering and Communicating Information:** They collect the needed data and then communicate the same to perform different tasks.
- Providing Specific Location:** They provide a specific location for each item of information needed and thus the work of data entry, processing and reference becomes easy.
- Elimination of Recopying:** As forms used to collect regular and standard information are prepared in duplicate and triplicate they eliminate the need for recopying repetitive or standard information, thus saving much time and money.
- Identification of Records:** They help to identify records and facilitate filing for future reference.

Advantages of Office Forms:

- It simplifies office methods and procedures.
- It reduces cost of office operations by reducing the amount of manual or machine writing and thereby increasing the output of each worker.
- Office forms are useful where it is desirable to fix responsibility for work done.
- Business information can be received or collected, recorded, processed and transmitted in a systematic and efficient way with the help of office forms

UNIT V

Office Accommodation and Layouts:

Location of Office, steps in office layout, principles of office layout, Office Environment

Introduction - Factors to be considered while selecting office accommodation – Office Layout - Importance of office layout - Open Office and Private Office - Office Environment– Lighting – Ventilation – Cleanliness – Safety measures

Office Accommodation:

Principles of Office Accommodation:

The following are the principles of good office accommodation:

- The office must be located at some convenient place so that it may serve the entire organization in the best possible manner.
- Office space should be sufficient from the point of view of the present and future needs of the organization.
- Suitable provision should be made for the convenience and amenities required for the comfort and wellbeing of the staff e.g. wash room, rest room, water cooler, canteen etc
- Service facilities like telephone, lift, internal communication etc should be available in the office while others like banking, transport, market, post office etc should be available near the office premises.

Factors to be Considered While Selecting Office Accommodation:

- Following factors are to be considered in providing the right type of office accommodation
 - Location of the office building
 - Securing the required office accommodation
 - Size of office accommodation
 - Lighting and ventilation of the space
 - Layout and facilities for office organization
 - Customer and staff conveniences

- Cost of office space or accommodation
- Miscellaneous consideration

Office Location:

Factors in selecting Office Location:

The following factors should be considered before making the final choice of location of office building:

- Suitability to Neighbourhood:** The office must be located in a quiet and healthy neighbourhood free from noise dust, fumes or intolerable smell.
- Proximity to Other Units:** Different units of the enterprise (e.g., factory, warehouse, branches etc) should be located nearby for smooth operation of business.
- Proximity to Related Business:** It is desirable to have an office near other offices which are engaged in the same line of business activities which enables for the advantage of localization.
- Nearness to service Facilities:** Office should be located near service facilities like banks, post offices, markets, stock exchange etc.
- Nearness of Transport Facilities:** For the convenience of the staff and the customers as well as for smooth operation of business, it is necessary that the locality should be adequately served by transport services of all kind i.e. railway station, port, air terminal etc.

Factors in Selecting Office Premises:

The characteristics of the building, the building facilities, the proximity of the office building to business factors, the cost involved, adaptability of space, natural; lighting and ventilation provided, freedom from dust and noise, favourable impression on visitors and general public, provision for employees comfort and health and facilitation of working processes are to be considered while selecting location of office. The following points are to be kept in mind while selecting office building:

- Safety of Records and Staff:** The safety and security of office records and of the personnel employed in an office building is most important. The office building should have the advantage of a fire proof construction, fire escapes, automatic safety devices etc.
 - Working Conditions:** The office building must provide good and satisfactory working conditions. Facilities like water, lighting and ventilation should be available. The building should be free from dust, noise, fumes and intolerable smells.

- Adaptability to Proposed Layout:** It should be capable of being modified or altered so that different sections of the office may be properly accommodated in it.
- Office Fitting:** It should be adequately provided with electricity, power, telephone, water connection and other fittings.
- Future Expansion:** It should offer enough scope for future expansion. When a building is owned or constructed by the organization, provision should be made for additional floor for future expansion requirements.
- Type of Building:** The most suitable type of office building is that which provides completely open space other than the supporting columns and temporary partitions which can be removed if required.

Objectives of Office Layout:

The objectives of an office lay out are:

- The available floor space should be used to the greatest extent
- Service such as electricity and telephone should be available wherever needed
- Good working conditions should be provided for everyone.
- The individual clerks should be so located that the supervisor should be able to see the staff at work.
- A sense of belonging and loyalty to the working group should be encouraged
- Communication and work flow should be facilitated
- The movement of clerks between desks, filing cabinets, etc should be made easy. The work desks should be located within easy reach of equipment and machines which the clerk may need to use in course of performing the work.
- Noisy and distracting operations should be segregated.
- Mutual interference between clerks should be avoided.
- Privacy and security should be provided to departments or individuals dealing with work of confidential documents or records.
- Adequate safety arrangements should be provided for departments dealing with secret or valuable documents or records.

Importance of Office Layout:

A well planned layout brings a number of benefits to the office and to the employees. The benefits of proper office layout is given below:

- Assists in the efficiency of getting the work done from employees.
- Proper utilization of office floor space.
- Facilitates smooth supervision.
- Speeds up intercommunication.
- Utilization of office machines and equipment to their optimum capacity.
- Ensures better comfort and self esteem of the employees.

Open Office and Private Office:

Open Office:

The modern tendency is to adopt the open office instead of accommodating departments or sections in separate rooms. An open office refers to a large room where all the departments, men and equipment are housed under a single roof without partitions or walls separating them. Each department or section is allotted a separate space in the same room, which is often separated by placing filing cabinets between them. One or more passage throughout the whole floor may be provided and desks may be arranged facing one way so as to facilitate supervision and easy access.

Advantages of Open Office:

Open office offer the following advantages:

- Economical:** Open office enable the management to save rent and reduce the cost of office operations since unnecessary partitions and corridors are avoided. Open office make better utilization of office space possible.
- Better Lighting and Ventilation:** Open offices allow a free flow of air and natural light, with the removal of unnecessary walls and partitions which increase the efficiency of the office staff.
- Better Supervision:** Only few supervisors are required to supervise the staff. The worker faces the supervisor and therefore he cannot waste time which encourages better work.
- Better Communication:** A worker is not required to go to another room for consultation, advice or instruction. Open office facilitate better interdepartmental communication.
- Flexibility:** There is a greater flexibility in planning the layout of an open office

which ensures more placements of office machines and equipment. Further changes in the layout can be effected without much difficulty.

- Other Advantages:** The other advantages of an open office are:
- Sharing of machines and equipments becomes possible
- Cost of decoration, cleaning and maintenance is low.
- All grades of staff are placed in the same room it creates a democratic set up.

Drawbacks:

The drawbacks of open office are:

- Absence of Secrecy:** Privacy cannot be maintained in an open office for the work which is done in full view of all the staff.
 - Concentration not Possible:** Open offices are not suitable for work which requires concentration of mind, e.g., accounting and statistical work. Moreover, distraction provided by visitors and the general movement of office staff cannot be avoided.
 - Not Business Like Appearance:** Too many people working in the same room and moving about their work make an open office look untidy and shabby.
- (iv) **Lowering of Self-Esteem:** Loss of individuality, reduced sense of belonging to a well-defined group and apparent loss of status among senior staff lowers self-esteem and efficiency of office workers.
- (v) **Noisy:** The efficiency of the staff may be reduced and distracted by the noise of telephones and clicking of typewriters and computers.

Private Office:

Private offices are small rooms or cubicles which are separated from similar other rooms or the open office by full or half partitions. Private offices are usually allotted to the top executives of the organization. Sometimes, a private office accommodation is provided for a group of people whose work is of a confidential nature. It may also be allotted for work which should be isolated in order to eliminate noise, e.g., accounting and statistical work.

Advantages of Private office:

- Privacy:** Greater privacy is ensured for confidential work and discussions.
 - Better Environment:** They promote a personal atmosphere and lend a sense of prestige or importance to the concerned staff.
- Better Concentration:** They increase the efficiency of the workers by facilitating concentration of mind which is possible because of the absence of noise.
- Orderliness:** They are more pleasing and well-ordered.

Drawbacks:

The disadvantages of private offices are:

- Uneconomical:** When an office is situated in a rented building the cost of office operation increases considerably.
- Costly Supervision:** Private offices make supervision more difficult and costly. Supervision also becomes less effective because the supervisor loses personal contact with the staff.
- Affects Flow of Work:** Barriers and partitions in private offices adversely affect intercommunication and free flow of work.
- Affects Lighting and Ventilation:** Walls and partitions also adversely affect free ventilation and the flow of natural light.
- Inflexible:** Private offices make the task of office layout more complicated and less flexible.

New Trends in Office Layout:

- Landscaped Office:** A landscaped office is an open office where the desks are arranged individually or in groups and at different angles from one another.
- Movable Partitions:** Movable partitions are now being used in setting up private offices. These partitions are made of metal, wood, plastic or glass.

Modular Units: Modular units are becoming increasingly popular now. These units normally consist of a combined desk and filing cabinet with dwarfed partitions up to a height of four to six feet. The most popular type of modular desk is the L pattern desk unit with a flat surface.

Office Environment:

Office environment has an important bearing on the efficiency of employees. It is common experience that people work better if they are given the surroundings and equipment appropriate to their work. According to **Terry**, “an individual’s performance is significantly familiarized by the environment in which he works”.

Lighting:

Lighting is the most important of all the physical conditions in the office. Proper lighting is important because it offers the following advantages:

- Increased productivity
- Better quality of work

Factors in Good Lighting:

Basic factors in good lighting are:

Quantity of Light: It is necessary that the correct quantity of light is available for different types of work in the office

- **Brightness of Light:** The light should provide the right degree of intensity and brightness. It can be described as the amount of light reflected from an object. It also controls contrast which affects seeing.
- **Diffusion of Light:** Proper diffusion of light can be obtained by having light in different amount that come from an adequate number of sources and directions and should not throw any shadow. It should also be spread uniformly over all parts of the working place.

Sources or Kinds of Lighting:

There are two main kinds of light available:

- **Natural Lighting:** The sun is the source of natural lighting which is considered as the best form of lighting from the point of view of the health and efficiency of the employees. Day light is admitted through large windows in the walls or from the roof.
- **Artificial Lighting:** Artificial lighting may be used to supplement natural light. It is generally not possible to provide natural light over the whole working surface; artificial lighting has to be provided so that the working surface may be properly and evenly illuminated. Artificial lighting is of two kinds

Fluorescent: The illumination produced by fluorescent lighting closely resembles that of natural lighting. The light is evenly distributed and produces less heat and fewer glares and lasts longer even though it is very expensive.

- **Incandescent:** It is most commonly used, less expensive lighting produced by filament bulbs. It consumes more electricity and produces more glare and shadows. Incandescent lighting may also be used to provide heat for the office building.
- **LED:** The light-emitting diode (LED) is one of today's most energy-efficient and rapidly developing lighting technologies. Quality LED light bulbs last longer, and are more durable. They also offer comparable or better light quality than other types of lighting.
- **Solar Lamp:** A solar lamp also known as solar light or solar lantern, is a lighting system composed of an LED lamp, solar panels, battery, charge controller and there may also be an inverter. The lamp operates on electricity from batteries, charged through the use of solar photovoltaic panel.

Types of Office Lighting System:

The lighting system consists of the following five types

1. Direct Lighting:

Approximately 90% to 100% of the light is directed downward to the working surface in this type of lighting. This system uses some shade or reflector for the source of light. It provides a good intensity of light. At the same time, it casts dark shadows around and raises direct and reflected glare that could cause eyestrain to the office employees.

2. Indirect Lighting:

In this system, 90% to 100% of the light is directed towards the ceiling or walls and then the directed light is diffused and reflected on the work surface. This type of lighting system is soft and avoids shadows and glares and does not cause eyestrain. This type of lighting system is highly useful for general illumination but not for office work.

3. Semi-Direct Lighting:

In this type of lighting, a transparent or translucent shade is used which directs 60% to 80% of the light downward. The remaining light is directed upward and the directed light is reflected from the ceiling. This lighting system is an improvement of direct lighting. So, dark shadows on the ceiling and glare are eliminated in this system.

Semi-Indirect Lighting:

A transparent or translucent shade, bowl, cover or reflector is placed under the lamp in this lighting system. In this way, 20% to 40% of the light may be directly diffused downward on the working surface. The remaining 60% to 80% of the light may be directed towards the ceiling and walls. Such directed lighting is reflected downward to the working surface. This form of lighting is intermediate between direct lighting and indirect lighting.

5. General Diffuse Lighting:

An equal amount of light is diffused directly and indirectly by its reflection from ceiling and walls in this type of lighting system. This system gives more light with the same wattage than the semi-indirect lighting system does.

Ventilation:

Ventilation in the office refers to the supply of clean and fresh air in the right amount, at the right temperature and of the right humidity. Proper ventilation is an important aspect of office environment. Fresh air must pass through the office regularly. Arrangements of rooms and partitions should be such as to allow free circulation of fresh and dustless air. The following methods are generally used to maintain proper ventilation:

(i) Natural Ventilation: Natural ventilation may be obtained by providing enough doors, windows and ventilators of the right type at the right place. Natural ventilation can be increased by providing roof ventilation and internal tube ventilators. They would ensure a regular flow of fresh air from outside and of decayed air from inside.

Artificial Ventilation: Artificial ventilation may be achieved by the use of electric fans, exhaust fans, air coolers, air filters, air conditioners etc in the toilets, basements, crowded rooms, canteens, machine rooms etc so that the warm air is let out and fresh air enters through windows and doors.

Temperature and Humidity: Temperature and humidity are two vital factors in the office that exercise a great influence over the worker and his output. Temperature and humidity in the rooms should be maintained at a proper level because too much heat or cold induces physical discomfort and affects the efficiency of the staff. The ideal office temperature is approximately 68 degree fahrenheit and humidity is between 40 to 60 percent.

A noiseless and quiet atmosphere is a must for an office to maintain the efficiency of the employees at high level. Noise may be internal and external. Noise can be controlled through following measures:

- Separating noise making machines from the main office.
- Fitting doors with door closers and rubber lining.
- Housing the telephone switchboard away from the general office.
- Using sound absorbing material on floors, walls and ceilings.
- Covering floors with rubber, coir or plastic mats, etc.

Cleanliness:

A clean and tidy office is important as it offers the following advantages:

- It is healthier as a work place for different types of office workers.
- Since people react to their surroundings, a clean and healthy office contributes to accuracy and efficiency
- A clean and tidy office also projects a good image of the organization in the eyes of the people who visit it.

Disposal of Waste: Proper disposal of waste and waste paper is very essential.

Toilets: Proper provision of toilets and their proper cleanliness are important. Toilets should be conveniently located with adequate number. It must be properly stocked with soap, toilet paper and towels. Paper napkins or towels are convenient and hygienic.

The cleaning work should be undertaken either before or after the business hours in the office. In addition to the daily cleaning, a definite programme of special cleaning should be laid down and followed. This sort of special cleaning should be a comprehensive one and no part of the office should be left uncleaned.

Safety Measures:

One of the vital functions of a modern office is to keep and preserve documents and records for future guidance or reference. All documents or records of office should therefore be kept under proper security. The following precautions should be taken to secure documents and employees:

- **Fire Precautions:** Adequate fire precautions should be taken for the preservation of office records and documents, machines against risk of loss or destruction by fire. Similarly precautionary measures to safeguard the employees in the office should also be provided in the office. Adequate fire extinguishing equipment should be installed and the staff should be trained in its use. Fire alarms should be fixed in conspicuous places. Such appliances should be regularly inspected to ensure that they are in working order.
 - **Accident Prevention:** Most accidents occur due to overcrowding in the office; use of obsolete machines and equipment, improper and careless handling of machine etc. Hence adequate precautionary steps to prevent accidents should be taken in the office. The employees should also be made aware of the safety arrangements and should be advised to handle the office machinery and equipment carefully. Office machines and equipments should be placed on firm foundation and proper fitting of desk and file drawers should be ensured.
- (iii) Provision of Safe Working Place:** Arrangements should be made to provide a safe working place for the employees. Shape and size of the office rooms, location and size of doors, gangways, etc., must be such as to eliminate hazards of accident. Office floor should be covered with nonslippery material, lighting of stairways, gangways, etc should be adequate and desks and chairs should be free of sharp edges.
- **Provision of First Aid Service:** To ensure immediate treatment to injuries, there should be a first aid box in every office with sufficient medicines. These should be regularly inspected to ensure that they are stocked with all necessary materials.

Safety Education and Training of Employees: Each employee should be made thoroughly aware of the dangers of his job. Training should be given to employees in the correct and safe way of doing the job and trained in first aid and fire fighting work. Safety regulations should be carefully framed and strictly enforced