

An Evaluation of Rational Approach to Management by Objectives in Construction Contracting Organisation

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Abstract : Management By Objectives (MBO) is a management technique in which objectives of an organisation are conveyed to the employees to establish the individual goals. These objectives and goals are then monitored and assessed jointly by management and the employee time to time. This tool can be used for planning, monitoring as well as for performance appraisal. The success of an organisation is largely dependent on its's Vision. Thus, it is of paramount importance to achieve the realm of vision through a mission which is well crafted within the organisation to address the objectives. The success of the mission depends upon how realistic and action oriented philosophical approach, an organisation caters to; and how the individual goals are set to track and meet the objectives. Thus, focused and passionate efforts of the team, assigned for the mission, are an absolute obligation for achieving the vision of any organisation. Any construction site is generally a controlled disorder having huge investments, resources and logistics involved. The Construction progression is time-consuming with many isolated as well as interconnected activities. Traditional MBO approach can be unsuccessful if planning and control is non-realistic and inflexible. Moreover, the Construction Industry is far behind understanding these concepts. It is important to address the employee engagement in defining and creating awareness to achieve the targets. Besides, current economic environment and competitive world demands refined management tools to achieve profit, growth and survival of the business. Therefore, the necessity of rational MBO becomes vital part towards the success of an organisation. This paper details about the philosophical assumptions to develop the grounded theory in lieu of achieving objectives through RATIONAL MBO approach in Construction Contracting Organisations. The goals and objectives of the Construction Contracting Organisations can be achieved efficiently by adopting this RATIONAL MBO approach, as those are based on realistic, logical and balanced assumptions.

Keywords : growth, leadership, management by objectives, Management By Objectives (MBO), profit, rational

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