

# **INFLUENCE OF GROUPS ON MANAGEMENT EFFICACY**

**LUKIC Zoran**

Faculty of Economics University, Banja Luka, Bosnia and Herzegovina

Management efficacy depends upon a number of factors. Very often the factors that are studied as those that have impact on the efficacious functioning of management within any organizational system, are only certain material factors of an organization such as technology, the number of employees, legislation, etc. The influence of immaterial factors has oftentimes been neglected and some of those immaterial factors, namely the importance and role of groups within an organization and their influence on management have been examined in this paper.

Apart from the groups, an important position within an organization is taken by teams. Every organization in its organizational structure beside the formal one has the informal structure, thus there are formal and informal groups. Informal groups are given small importance in research but it can be ascertained that their influence on the efficacy of any organizational system is extremely important. The reasons of forming groups can be numerous and the most important reason is meeting certain needs as well as meeting more complex targets. Alongside with these reasons people form groups in order to attain a certain status and gain power that could not be reached by other means. Another reason is that people can socialize in groups and from time to time have the sense of belonging somewhere and thus eliminate the feeling of loneliness.

The efficacious functioning of formal groups depends foremost on the size of a group. An optimal number of members needs to be found in order for the group to function successfully. A similar principle is applied to forming informal groups. Every group goes through certain stages as follows: forming, confronting ideas, setting norms, performing tasks and preparing for breakup. Groups also have their characteristics the most important of which are group roles, group norms, status and power within a group. The functioning of groups is related to leadership, the functioning of a leader, that is, because each group has to have its leader.

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