

14 PRINCIPLES OF MANAGEMENT

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Division of work

Division of Work means to divide or break up a single complicated job into different smaller specialised tasks.

Here, each of these smaller tasks is handled separately probably by an expert or a team working under his command.

In case, these tasks are dependent on each other's completion, they are achieved separately and procedurally one after another.

When all smaller tasks complete as expected, they all together help to accomplish the single complicated job.

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1. DIVISION OF WORK:

- ◆ Work should be divided among individuals and groups to ensure that effort and attention are focused on special portions of the task. Fayol presented work specialization as the best way to use the human resources of the organization.

2. AUTHORITY:

- ◆ The concepts of Authority and responsibility are closely related. Authority was defined by Fayol as the right to give orders and the power to exact obedience.

3. DISCIPLINE:

- ♦ A successful organization requires the common effort of workers. Penalties should be applied judiciously to encourage this common effort.



4. UNITY OF COMMAND

- ♦ Workers should receive orders from only one manager.



5. UNITY OF DIRECTION:

- The entire organization should be moving towards a common objective in a common direction.



PRINCIPLES OF DIRECTION



5. Unity of direction

- *Fayol suggested that there should be **one head and one plan** for a group of activities having the same objective. In the absence of unity of direction there will be confusion among the employees.*
- *There should be same directions to all the employees doing similar activities. A particular activity must be directed with the help of a single plan.*



6. SUBORDINATION OF INDIVIDUAL INTERESTS TO THE GENERAL INTERESTS:

- The interests of one person should not take priority over the interests of the organization as a whole.



7. REMUNERATION

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- All Workers must be paid a **fair wage** for their services.
- Value of the employee.



8. CENTRALIZATION:

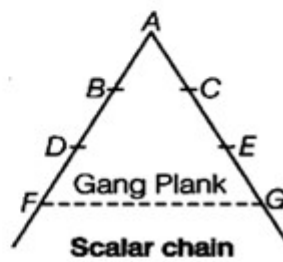
- ◆ Fayol defined centralization as lowering the importance of the subordinate role. Decentralization is increasing the importance. The degree to which centralization or decentralization should be adopted depends on the specific organization in which the manager is working.

9. SCALAR CHAIN:

- ◆ Managers in hierarchies are part of a chain like authority scale. Each manager, from the first line supervisor to the president, possess certain amounts of authority. The President possesses the most authority; the first line supervisor the least. Lower level managers should always keep upper level managers informed of their work activities. The existence of a scalar chain and adherence to it are necessary if the organization is to be successful.



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10. ORDER:

- ♦ For the sake of efficiency and coordination, all materials and people related to a specific kind of work should be treated as equally as possible.



11. EQUITY:

- ♦ All employees should be treated as equally as possible.



EQUALITY VS. **EQUITY**



EQUALITY = SAMENESS
GIVING EVERYONE THE SAME THING
It only works if everyone starts from the same place



EQUITY = FAIRNESS
ACCESS TO SAME OPPORTUNITIES
We must ensure equity before we can enjoy equality

Stability of Tenure of Personnel

Employees work better if job security and career progress are assured to them. An insecure tenure and a high rate of employee turnover will affect the organization adversely. Long-term employees lead to better producing companies



STABILITY OF TENURE OF PERSONNEL EMPLOYEES



Work better if job security and career progress are assured to them. An insecure tenure and a high rate of employee turnover will affect the organization adversely. According to Fayol, "Time is required for an employee to get used to a new work & succeed in doing it well but if he is removed before that he will not be able to render worth while services". As a result, the time, effort and money spent on training the worker will go waste.

13. INITIATIVE:

- Management should take steps to encourage worker initiative, which is defined as new or additional work activity undertaken through self direction.



13. INITIATIVE

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- Superior must sacrifice his own vanity to **encourage** and **inspire** those under him to show initiative.
- Employees who are allowed to originate and carry out plans will exert high levels of effort.



14. ESPIRIT DE CORPS:

- ♦ Management should encourage harmony and general good feelings among employees.



14. ESPRIT DE CORPS

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- Promoting **team spirit** will build harmony and unity within the organization.
- **Loyalty, dedication** and commitment.

