

# Fundamentals Of Management

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## Principles Of Management

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Two non-parallel lines will always intersect.

Henri Fayol - Father of Modern Management Theory, and introduces some general principles that can be applied to all the levels of management and any organization irrespective of its size or department. It helps in regulizing the internal activities of an organization, because of which managers can accomplish their tasks efficiently and effectively.

#### 1. Division of Work

Segregation of Work among the workforce will help in enhancing the quality of product/quality of work, which improves the productivity, efficiency, accuracy and speed of the workers. Useful for managerial and technical teams both.

#### 2. Authority and Responsibility

Authority facilitates the management work efficiently.

Responsibility makes them responsible/accountable for work done under their supervision.

#### 3. Discipline

This is related with employees' performance. Good performance and sensible behaviour makes the management job easy as well as it helps the employees to build and progress in their professional careers..

#### 4. Unity of Command

An employee should have only one boss. This avoids conflict of interest and confusion. He or she must follow his commands only.

#### 5. Unity of Direction

All the people working in the company should have only one unified goal, which motivates them to achieve in the long run.

#### 6. Subordinates of Individual Interest

This principle indicates that the employee should work towards the interest of the organization rather than their personal interest.

#### 7. Remuneration

Fancy word for salary. May be monetary or non-monetary.

It should be made according to individual's efforts made for the organization.

## **8. Scalar Chain**

According to Fayol, hierarchy steps should be followed from top to the lowest level of the organization.

It is very necessary so that every individual employee knows their immediate senior and subordinate, which help them to take necessary provisions for accountability and responsibility.

## **9. Order**

A very fine work order to have a favourable work culture.

Fayol said that there should be a place for everything and everyone. At the same time, everything and everyone should be in their own place. This means “right man in the right place”. He believed that this kind of order “demands precise knowledge of human requirements and resources of the concern and a constant balance between these requirements”. This balance is more difficult in bigger organisations. For proper order in each department, the departmental head should allot specific workstation and tools to each worker so that there is no confusion in the organisation. Similarly there should be specific shelves or rooms for storing raw materials, finished goods, etc.

## **10. Equity**

All employees should be treated equally and respectfully. It is the responsibility of the manager to do this, so no employee faces discrimination.

## **11. Stability**

An employee delivers their best when they feel that their job is secure. It is the duty of the management to provide job security to their employees.

## **12. Initiative**

Management should encourage and support their employees so they can take initiatives in the organization, which will help them to increase their morale and interest.

## **13. Centralization**

In any company, the management or any authority responsible for decision making should be neutral. It depends upon the level of segregation/delegation it deploys for the working of organization.

## **14. Espirit de Corps**

It is the responsibility of the management to motivate their employees and be supportive to each other regularly.