



PRINCIPLE OF MANAGEMENT

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PRINCIPLES OF MANAGEMENT

- 'Principles of management' implies a list of current management practices.
- Though F.W.Taylor developed principle of management, credit goes to Henry Fayol, a French management theorist for advocating and publishing certain principles(or laws) for soundness and good working of management.
- Henry fayol warned that principle of management should be:
 - Flexible and not absolute-must be usable regardless of changing conditions,
 - Used with intelligence and with a sense of proportion, etc.

DIVISION OF WORK(OR LABOUR)

Henry Fayol listed 14 principles, that grew out of his experience; they are briefed as under.

Division of work(or Labour)

- Division of work means dividing the work on the principle that different workers (and different places) are best fitted for job (or things) depending upon influences arising from geography, natural condition, personal aptitude and skills.
- Division of work leads to specialisation.
- Concepts of division of labour can be applied to all kinds of work, managerial as well as technical.

DIVISION OF WORK(OR LABOUR)

Advantages of division of labour:

- Since the same worker does the same work repeatedly.
- He gain proficiency and skill on the job.
- Rate of production increases.
- Product quality improves.
- He is in position to suggest change in product,processing or method of doing work.

Disadvantage

- It give rise lost of craftsmanship, workers become machine-minders and no more.
- With passage of time, the same job becomes dull and monotonous.
- Worker do not remain all-round and one cannot work in place of another if he is absent.

AUTHORITY AND RESPONSIBILITY

- Authority and responsibility should go together, hand in hand and must be related.
- An executive can do justice with his responsibility only when he has the proper authority.
- Responsibility without authority or viceversa is meaningless.
- Responsibility means accountability, it may be consider as the obligation of a subordinate to his boss to do a work given to him.
- Authority means right(to command)and power to act.
- Whenever an employee is made responsible to accompaish a particular task, he must be given due authority also to control and direct efforts toward completing the task.

DISCIPLINE

- Discipline is absolute necessary for efficient functioning of all enterprises.
- Discipline may be described as-respect for agreement that are directed at achieving obedience, application, and outward mark of respect.
- Discipline relates to employee conduct.
- Discipline is employee self-control to meet organisational standards and objectives.
- Discipline may be defined as instruction or training,
 - To behave in accordance with rules and regulation
 - To train to obey implicitly an order
 - To bring under control, etc.

DISCIPLINE

- **Purpose.** Discipline is necessary in all efficient organisation in order to
 - Encouraging employee to behave sensibly at work
 - Effectively realise or attain the objective of organisation.
 - Help employees learn the requirement of their job.
- **Form(Types)** There are two basic form of discipline
 - **Negative discipline**
 - negative discipline controls employees by force, e.g. by threats, dismissal etc.
 - With the growth of trade union movement and from 1945 onwards, negative discipline to some extent has been replaced by a constructive approach.
 - **Constructive, cooperative or positive discipline**
 - **Constructive discipline** means the fostering of cooperation and a high level of morale so that written and unwritten rules and regulations are obeyed willingly. Employees should be told clearly whatever is expected of them.

UNITY OF COMMAND

- Unity of command means, employees should receive orders and instructions from one boss (or supervisor) only. In other words a worker should not be under the control of more than one supervisors.
- Unity of command avoid confusion, mistakes and delays in getting the work done.

UNITY OF DIRECTION

- It is broader concept than the unity of command.
- Unlike unity of command which concern itself with the personnel, unity of direction deals with the functioning of the body corporate.
- Unity of direction implies that there should be one plan and one head for each group of activities having the same objective.
- In other words there should be one common plan for an enterprise as a whole.

SUBORDINATION OF INDIVIDUAL TO GENERAL INTEREST

- The interests of an individual's person should not be permitted to supersede or prevail upon the general interests of the enterprises.
- This is necessary to maintain unity and to avoid friction among the employees.

REMUNERATION

- Remuneration is the price paid to the employee for the service rendered by them for the enterprises.
- Remuneration should
 - Be fair, and
 - Bring maximum satisfaction to both employees and the employer.

CENTRALISATION OF AUTHORITY

- Centralisation of authority means that the authority is in the hand of center , i.e., the authority is not depressed among different sections.
- In a business organisation, authority should be centralised only to that degree or extent which is essential for the best overall performance.
- The degree of centralisation is decided by keeping in view the nature, size and complexity of the (business) enterprise.

SCALAR CHAIN

- Managers may be regarded as chain of superiors. There should be an unbroken line of authority and command through all levels from the highest(i.e. general Manager) to the lowest rank.
- The chain of superior should be short circuited, when following it strictly will be detrimental to performance.

ORDER

- This promote the idea that everything (e.g.material) and everyone (human beings) has his place in the organisation.
- Materials and human beings should be arranged such that right material(thing) person is in the right place.

EQUITY OF TREATMENT

- Manager should have fairness in treatment for all his subordinates.
- Manager should deal with his subordinates with kindness and justice.
- This will make employee more loyal and devoted towards the management /enterprise.

STABILITY

- Stable and secure work force is an asset of enterprises, because unnecessary labour turnover is costly.
- An average employee who stays with the concern is much better than outstanding employee who merely come and go.
- Instability is the result of bad management.

INITIATIVE

- Initiative is one of the keenest satisfaction for an intelligent employee.
- Managers should sacrifices their personal vanity in order to permit their subordinates to exercise their own initiative.
- A manger should encourage his subordinate to take initiative.

ESPRIT DE CORPS

This is the principle of management emphasizes the need of teamwork (harmony, and proper understanding) among the employee and show the importance of communication in obtaining such team-work.