

- Principles of Management: Concept and Significance
- Fayol's Principles of Management
- Taylor's Scientific Management: Principles and Techniques

Principles of Management: Concept and Significance

Concept Explanation: Principles of management are broad and general guidelines that help managers make decisions and take actions eff

Key Definitions / Features:

- **Universal applicability:** Principles apply to all types of organizations regardless of size, nature, or objectives.
- **Formed by practice and experience:** Developed through experimentation, experience, and collective managerial wisdom.
- **General guidelines:** Provide guidance but are not rigid rules; they do not offer ready-made solutions.
- **Flexible:** Can be adapted by managers according to specific situations.
- **Behavioural focus:** Aim to influence human behaviour within organizations.
- **Cause and effect relationship:** Applying a principle in a situation leads to predictable outcomes.
- **Contingent:** Use depends on the prevailing circumstances.

Significance of Principles of Management:

- Provide managers with useful insights into real-world situations, enhancing efficiency.
- Help in optimum utilization of resources and effective administration by reducing trial and error.
- Enable scientific decision-making based on logic and objective assessment.
- Allow adaptation to changing environments.
- Help fulfill social responsibilities of organizations.
- Form the basis for management training, education, and research.

Practice Set:

- *Level 1:* Define principles of management and list their features.
- *Level 2:* Explain the significance of principles of management with examples.
- *Level 3:* Discuss how principles of management can be adapted to meet changing business environments.

Answer Key:

Answers should include definitions, features such as universality and flexibility, and significance points like scientific decision-making and re

Quick Reference: Principles guide managerial decisions, are flexible, universal, behavioural, and contingent.

Glossary:

- **Contingent:** Dependent on specific conditions or situations.
- **Trial and Error:** Problem-solving method involving multiple attempts to find a solution.
- **Social Responsibility:** Obligation to act for the benefit of society.

Fayol's Principles of Management

Concept Explanation: Henri Fayol developed 14 principles of management that provide a framework for effective organizational management.

Key Principles:

- **Division of Work:** Specialization increases efficiency by assigning specific tasks to skilled workers.
- **Authority and Responsibility:** Authority to give orders must be balanced with responsibility.
- **Discipline:** Obedience to organizational rules is essential for smooth functioning.
- **Unity of Command:** Each employee should receive orders from only one superior.
- **Unity of Direction:** Activities with the same objective should be directed by one manager using one plan.
- **Subordination of Individual Interest:** Organizational interests take precedence over individual interests.
- **Remuneration:** Fair pay to employees and the organization.
- **Centralisation and Decentralisation:** Balance between decision-making authority and subordinate involvement.
- **Scalar Chain:** Clear chain of command from top to bottom; 'Gang Plank' allows direct communication in emergencies.
- **Order:** Proper arrangement of people and materials for efficiency.
- **Equity:** Fair and kind treatment of employees.
- **Stability of Personnel:** Minimize employee turnover for organizational efficiency.
- **Initiative:** Encourage employees to take initiative in planning and execution.
- **Esprit de Corps:** Promote team spirit and harmony.

Illustrative Examples:

- Assembly line workers specialize in tasks to increase efficiency (Division of Work).
- Construction workers report to one supervisor to avoid confusion (Unity of Command).
- Warehouse organizes inventory systematically for easy access (Order).
- Hospital nurses communicate patient updates through a clear chain of command (Scalar Chain).

Practice Set:

- *Level 1:* List any five principles of Fayol with brief explanations.
- *Level 2:* Explain the importance of unity of command and scalar chain with examples.
- *Level 3:* Analyze how centralisation and decentralisation affect decision-making in organizations.

Answer Key:

Answers should cover definitions, explanations, and examples illustrating each principle's application.

Quick Reference: Fayol's 14 principles guide managerial functions focusing on structure, authority, and employee relations.

Glossary:

- **Scalar Chain:** The formal line of authority in an organization.

- **Centralisation:** Concentration of decision-making authority at the top levels.
- **Decentralisation:** Delegation of decision-making authority to lower levels.

Taylor's Scientific Management: Principles and Techniques

Concept Explanation: Frederick Taylor introduced Scientific Management to improve worker efficiency through scientific study and analysis,

Principles of Scientific Management:

- **Science, not rule of thumb:** Use scientific methods for decision-making.
- **Harmony, not discord:** Foster cooperation between management and workers.
- **Co-operation, not individualism:** Replace competition with teamwork.
- **Development of each person:** Scientific selection and training to maximize efficiency and prosperity.

Mental Revolution: A change in attitude where management and workers cooperate rather than compete, promoting trust and shared goals.

Techniques of Scientific Management:

- **Functional Foremanship:** Separate planning and execution functions with specialized foremen.
- **Standardisation and Simplification:** Set standards and eliminate unnecessary variety.
- **Method Study:** Identify the best way to perform a job.
- **Motion Study:** Eliminate wasteful movements.
- **Time Study:** Determine standard time for tasks.
- **Fatigue Study:** Determine rest intervals to maintain efficiency.
- **Differential Piece Wage System:** Different wage rates for efficient and inefficient workers.

Practice Set:

- *Level 1:* Define the principle of 'Science, not rule of thumb' with an example.
- *Level 2:* Explain the concept of mental revolution and its importance.
- *Level 3:* Discuss the techniques of scientific management and how they improve productivity.

Answer Key:

Answers should include definitions, explanations of mental revolution, and detailed descriptions of techniques with examples.

Quick Reference: Taylor's Scientific Management emphasizes scientific methods, cooperation, and worker development.

Glossary:

- **Mental Revolution:** Change in attitude promoting cooperation between management and workers.
- **Functional Foremanship:** Division of supervisory roles for planning and execution.
- **Differential Piece Wage System:** Wage system rewarding efficiency.

Developed by Frederick Winslow
as the "Father of Scientific Management"

Science, Not Rule of
Thumb

Harmony, Not
Discord

Cooperation, Not
Individualism

Development of Each
Worker to their
greatest efficiency

Standardisation

Functional
Foremanship

Work Study

Principles

Techniques

Basis	Fayol	T
Perspective	Top level of Management	Shop of Ma
Applicability	Universally applicable	App spe sit
Personality	Practitioner	So
Status	Father of General Management	Fa So Mar