

* Principle of Management ⇒

Management is a science. Management has to perform a number of functions such as planning, organizing, coordinating, directing, controlling etc. for the purpose of achieving its objectives.

⇒ The Principles of Management are statements of fundamental facts. These principles serve as guidelines for decisions and actions of managers.

NEED OF PRINCIPLE OF MANAGEMENT:

- ⇒ To Increase efficiency.
- ⇒ To Highlight the true nature of Management.
- ⇒ To Aid in the training of Managers.
- ⇒ To Improve Research.
- ⇒ To Attain social goals.

* Scientific Management ⇒

→ Various thinkers have contributed to the development of Modern Management. F.W. Taylor and Henry Fayol are two outstanding names in the field of Management.

→ According to F.W. Taylor, scientific Management means knowing exactly what you want men to do and seeing that they do it in the best and the cheapest way.

→ His Philosophy of Scientific Management is Based upon the following Principles.

- ① Development of true science for each element of work.
- ② Scientific selection, training and development of workers.
- ③ close cooperation between workers and management.
- ④ Equal division of work and responsibility.
- ⑤ Maximum prosperity for both the employers and the employees.
- ⑥ Mental Revolution.

⇒ ~~Henry~~ Henry

* HENRY FAYOL'S PRINCIPLES OF MANAGEMENT.

⇒ HENRY FAYOL WAS A FRENCH INDUSTRIALIST - HE CLASSIFIED ALL BUSINESS ACTIVITIES INTO SIX CATEGORIES.

- ① TECHNICAL [Production or Manufacturing]
- ② COMMERCIAL [By buying, selling, and exchange]
- ③ FINANCIAL [Search for optimum use of capital]
- ④ SECURITY [Protection of property and people]
- ⑤ ACCOUNTING.
- ⑥ MANAGERIAL.

x ⇒ According to Fayol, first five groups of activities are quite well known and therefore he concentrated his attention on the analysis of the sixth group, i.e. Managerial activities. Fayol suggested the following 14 Principles of Management in order to make the job of managing more effective.

* → DIVISION OF WORK.

* → AUTHORITY AND RESPONSIBILITY.

* → DISCIPLINE.

* → UNIT OF COMMAND.

* → SUBORDINATION OF INDIVIDUAL INTEREST TO GENERAL INTEREST.

* → REMUNERATION OF PERSONNEL.

* → CENTRALIZATION AND DECENTRALIZATION.

* → SCALAR CHAIN.

* → ORDER.

* → EQUITY.

* → STABILITY OF TENURE OF PERSONNEL.

* → INITIATIVE.

* → ESPRIT DE CORPS.