Lesson 3.80

#### ADMINISTRATIVE VIEW OF MANAGEMENT

## 1. The Administrative Management

It is a term used for those early-day contributors who developed and taught principles to be used by managers, both individually and collectively, to improve the performance of the overall functions of the organization.

Henri Fayol (1841-1925) a successful French industrialist, developed theories about management he thought could be taught to those individuals with administrative responsibilities.

- Fayol's lasting contribution is the <u>functional approach</u> to management which is still used today. The major managerial functions, according to Fayol, were planning, organizing, commanding, coordinating, and controlling. The functions have been slightly modified several times since Fayol. In the main, though, they still provide the basic framework for studying management as witnessed by the organization of this and most other principles of management texts used today. Like Weber, Fayol's works were not translated into English for a couple of decades after his death.
- b. Fayol gives us 14 PRINCIPLES OF MANAGEMENT which are still being used nowadays. These principles are given below:

# Fayol's 14 PRINCIPLES OF MANAGEMENT

#### 1. **Division of work**

Specialization increases output by making employees more efficient.

### 2. Authority.

Managers must be able to give order. Authority gives them this right. Along with authority, however, goes responsibility.

#### 3. Discipline.

Employees must obey and respect the rules that govern the organization.

### 4. Unity of Command

An employee should receive orders from one superior only.

#### 5. Unity of direction.

The organization should have a single plan of action to guide managers and workers.

### 6. Subordination of individual interests to the general interest.

The interests of any one employee or group of employees should not take precedence over the interests of the organization as a whole.

### 7. Remuneration.

Workers must be paid a fair wage for their services.

#### 8. Centralization.

This term refers to the degree to which subordinates are involved in decision making.

# 9. Scalar Chain.

The line term refers to the degree to which subordinates are involved I decision making.

#### 10. Order.

People and materials should be in the right place at the right time.

# 11. Equity.

Managers should be kind and fair to their subordinates.

# 12. Stability of tenure of personnel

Management should provide orderly personnel planning and ensure that replacements are available to fill vacancies.

## 13. Initiative.

Employees who are allowed to originate and carry out plans will exert high levels of effort.

# 14. Esprit de corps

Promoting team spirit will build harmony and unity within the organization.