

PRINCIPLES OF MANAGEMENT

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GENERAL PRINCIPLES OF MANAGEMENT

SYNOPSIS

- ✦ **Definition**
- ✦ **Management function (or) Process of Management**
- ✦ **Managerial Skills**
- ✦ **Order of Management**
- ✦ **Efficiency & Effectiveness**
- ✦ **General Principles of Management**
- ✦ **Management as an Essential for any Organization?**
- ✦ **Run time Example for the Management**

Definition - Management:

- ▶ "Management is the process of designing and maintaining an environment in which individuals working together in groups, efficiently accomplish selected item"
- ▶ "Management is the process of getting things done, through & with people in organization"

MANAGEMENT FUNCTIONS (OR) PROCESS OF MANAGEMENT:

There are five types of functions in management. They are,

- Planning-Defines the goal & establishing strategy.
- Organizing-cludes determining what task has to be done, who is to do them.
- Staffing-Includes recruitment of people and training them towards the project.
- Leading-Includes the motivating the employees and directing the activities.
- Controlling-It is the process of monitoring the performance.



Managerial Skills

There are three types of skills required by a manager. They are:

- ❖ **Conceptual Skills**-These skills are required by the employee who are in top level management.
- ❖ **Technical skills**- These skills are required by the employee who are in middle level Management.
- ❖ **Human Relations Skills**-These skills are required by the employee in the supervisory level.

Different Managerial Levels



Order of Management



Efficiency & Effectiveness

- **Effectiveness:** Adequate to accomplish a purpose; producing the intended or expected result.
- **Efficiency:** Performing or functioning in the best possible manner with the least waste of time and effort.

(Or)

- Efficiency is doing something with the least possible expenditure of resources (such as time, energy, etc.)

General Principles of Management- Henry Foyal's

- Henry Fayol's 14 principles derive from the circumstance that Fayol's felt that management was not well defined. In his striving to change this circumstance he suggested "some generalized teaching of management" to be a main part of every curriculum at places of higher education and even beginning in "primary schools". Fayol's dedication to this idea is demonstrated by the fact that after retirement he went on to not just write books about management ideas, but more importantly, he found the Centre for Administrative Studies (CAS) in 1917 in Paris. The CAS mainly functioned as a centre of discussion between professionals from a large variety of professions, in order to further the knowledge and understanding of management principles.

- **Division of work:** This is the specialization that economists consider necessary for efficiency in the use of labor. Fayol's applies the principle to all kinds of work, managerial as well as technical.
- **Authority & responsibility:** Here Fayol finds authority and responsibility to be related, with the latter arising from the former. He sees authority as a combination of official factors, deriving from the manager's position and personal factors.
- **Discipline:** Seeing discipline as "respect for agreements which are directed at achieving obedience, application, energy, and the outward marks of respect. Fayol declares that discipline requires good superiors at all levels.
- **Unity of command:** This means that employees should receive orders from one superior only.
- **Unity of direction:** According to this principle, each group of activities with the same objective must have one head and one plan.

- **Subordination of individual to general interest:** This is self explanatory when the two are found to differ, management must reconcile them.
- **Remuneration and methods:** of payment should be fair and afford the maximum possible satisfaction to employees and employer.
- **Centralization:** Without using the term "Centralization of authority," Fayol's refers to the extent to which authority is concentrated or dispersed. Individual circumstances will determine the degree that will give the best overall yield.
- **Scalar chain:** Fayol thinks of this as a chain of superiors from the highest to the lowest ranks, which, while not to be departed from needlessly, should be short circuited when to follow it scrupulously would be detrimental.
- **Order:** Breaking this into material and social order, Fayol's follows the simple adage of a place for everything and everything in its place.
- **Equity:** Loyalty and devotion should be elicited from personnel by a combination of kindness and justice on the part of managers when dealing with subordinates.
- **Stability of tenure:** Finding unnecessary turnover to be both the cause and the effect Of bad management, Fayol points out its dangers and costs.

- **Initiative:** Initiative is conceived of as the thinking out and execution of a plan. Since it is one of the keenest satisfactions for an intelligent man to experience.
- **Esprit de corps:** This is principle that "in union there is strength" as well as an extension of the principle of unity of command, emphasizing the need for teamwork and the importance of communication in obtaining it.

Management as an Essential for any Organization?

- Managers are charged with the responsibility of taking actions that will enable individuals to make their best contributions to group objectives. Management thus applies to small and large organizations, to profit and not-for profit enterprises, to manufacturing as well as service industries.

Run time Example for the Management:

Infosys



Mr. N.R. Narayana Moorthy- Chairman



Mr. S. Gopalakrishnan- Co-Founder Executive Co-Chairman



Mr. S. D. Shikhalal - Co-Founder
Chief Executive Officer and Managing Director



Mr. V. Sathishkumar - Member of the Board
Chief Financial Officer



Mr. Srinath Bhat - Member of the Board & Head of Delivery Excellence



Mr. Basab Padhan - Senior Vice President
Head of Global Sales, Marketing and Alliances
Member - Executive Council



Ms. Nandita Gujar - Senior Vice President
Group Head of Human Resources
Member - Executive Council

Conclusion

- From this principles of management which plays an important role in the organization.
- "In the past the man has been first; in the future the system must be first."*

-Frederick Winslow Taylor