Administrative management

Umakanta Nayak

Henri Fayol

- Born in 1841 in France
- Joined as an engineer in a mining company (S.A. Commentry-Fourchambault) in 1860
- Became MD of the company by 1888
- Retired from MD in 1918
- But remained as a director of the company till his death in 1925
- The most outstanding writings- General and Industrial Management, 1916

Basic Ideas

- Administrative theory is Universal
 - Administration embraces not only the public service but enterprises of every size and description, of every form and every purpose.
 - General theory of management applicable to all types of organization.

Activities of an Industrial Undertakings

- Technical: Production, Manufacture, adaptation
- Commercial: Buying, Selling, exchange
- Financial: Optimum use of funds/ capital
- Security: property and person
- Accounting: Stock, balance sheet
- Managerial: Planning, Organising, command, coordination, control

Management as a function.

Attributes of Managers

- Physical
- Mental
- Moral
- General Edu:
- Special knowledge
- Experience

Principles of Managemnt

- Division of Work
- Authority and Responsibility
- Discipline
- Unity of Command
- Unity of Direction
- Subordination of Individual interest to General interest
- Remuneration
- Centralisation
- Scalar Chain
- Order (Placement)
- Equity
- Stability of tenure
- Initiative
- Esprit de Corps

- Need of systematic training in administration
- Gang Plank

Fayol Vs. Taylor

- Taylor developed specific management principles to be used directly in the field of production.
- Fayol dealt with a general theory of administration to be applied at the top management level.

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