

# Henri Fayol: Contributions in Management

**Mr. Anamitra Roy\* & Dr. Aamarpali\*\***

*\*Freelance Writer and Management Professional, Salt Lake City, Kolkata, West Bengal, India.*

*\*\*Director, Concept Research Foundation, Kolkata, West Bengal, India.*

Henri Fayol was a mining engineer, a mining executive, author of many best sellers and director of mines. He is remembered in management as a developer of general theory of management which is known as Fayolism. He is considered as one of the founders of modern management thoughts.

Fayol started his life as a mining engineer only. He wrote a series of articles on topics related to mining. At a later stage of his life he shifted to management. His work is considered as one of the earliest works on general management. He proposed five functions and fourteen principles of management.

According to Fayolism five primary functions of management were identified as-

1. Planning
2. Organizing
3. Staffing
4. Directing
5. Controlling

He emphasized on the “control” function. Fayol said that a manager must receive feedback about a process in order to make necessary adjustments. The manager should also study the deviations.

The fourteen principles of management as identified by Fayol are as follows:

1. Division of work – Fayol got this concept from classical economics. It says that every individual has a certain set of skills, experience, liking and disliking. So when a job is being assigned to that person it should be assigned to him in the line of his interest. According to Fayolism, this will lead to specialization and specialization will lead to increase of efficiency.
2. Authority and responsibility – Authority gives the management the right to give orders to the subordinates.
3. Discipline – According to Fayol, this principle will lead to obedience and thereby pave the way for an improved performance.

4. Unity of command – Employees should receive orders from one superior. Receipt of orders from multiple superiors may confuse them.
5. Unity of direction – Each department should be directed by one manager having one plan, leading to the common goal of the organization.
6. Subordination of individual interest to general interest – It has to be remembered that different employees may be working in the organization with different sets of interests. But that interest should not interfere with the interest of the organization. With the help of ‘discipline’ it also has to be ensured that the interest of a group of employees should not precede over the interest of the organization.
7. Remuneration – Everybody is working for remuneration. Therefore the remuneration should be paid at a fair rate and at the stipulated time. The rate of remuneration should also suit the organization.
8. Centralization and decentralization – This refers to the degree of the involvement of the subordinates in decision making.
9. Scalar chain – Scalar chain is the line of authority from the top management to the lowest ranks. Communication should follow this chain. However, in case of an emergency this chain may be broken.
10. Order – This is the principle that deals with the systematic arrangement of various resources of the organization like man, machine, money etc. There should be a specific place for everything in the organization. This principle of management ensures optimum utilization of resources and also helps in cost cut – off.
11. Equity – The employees of the organization must be treated equally with respect and kindness.
12. Stability of tenure of personnel – High employee turnover rate is loss provoking. Therefore, the management must have a proper HR Plan and should have provisions for filling gaps created by human resources who leave the organization.
13. Initiative – Employees who generate plans and implement them will exert high levels of effort.
14. Esprit de corps – This principle tells us that promotion of team spirit will ensure bondage between the employees working in the organization.

There are many arguments in favor of applying the principles of management. These are as follows:

1. Increase in efficiency – If the major principles of management can be established successfully then it will be easy for the subordinates to perform their tasks easily. Thus, the efficiency of the employees will increase.
2. Harmonization of various activities – With clear idea and application of the principles of management harmonization of the various departments of the organization can be brought in very easily.
3. Abolition of corruption and partiality – When the principles of management will be applied properly, then the suitable man will be applied for the job. Thus, corruption and partiality can be avoided.
4. Continuity of research – Proper application of the principles of management will be beneficial in handling the data related to the business unit. Thus, a continuity of research can be maintained within the business on the basis of the availability of the data.
5. Accomplishment of social objectives – Management itself is a part and parcel of the society. Management takes required inputs from the society and gives it back to the society after more value to it. If the principles of the management as suggested by Henri Fayol are applied properly then the efficiency of the management of the business increases. As a result of which, value addition to the products also increases.

The principles of management have to face certain criticism which is as follows:

1. Unreal principles – There have been arguments that the principles of management are too theoretical by nature. So they cannot be applied in reality.
2. Contradictory principles – The principles of management in many a cases are contradictory to each other. For example division of labor and the principle of balance cannot be applied side by side.

In conclusion, it may be pointed out that like all other disciplines of study, management is also undergoing constant changes. So whatever was written and said by Henri Fayol may not necessarily be applicable everywhere today. But still, Fayol's thoughts are widely read and respected in this field of management because they provide a base for further thought development.