

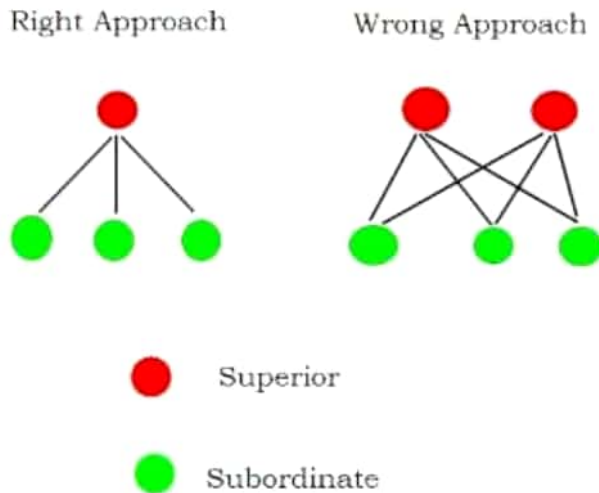


1. Division of work: Work is divided in small tasks/job and a trained specialist who is competent enough to perform that job does each work. Thus it leads to greater efficiency, specialization, increased productivity.

2. Authority and Responsibility: Authority means power to take decisions and responsibility means obligation to complete the job assigned on time. There should be a balance between authority and responsibility. Mere responsibility without authority makes an executive less interested in discharging duties. Similarly, giving authority without assigning responsibility makes him arrogant and there is fear of misuse of power.

3. Discipline: Is the obedience to organizational rules and employment agreement, which are necessary for the working of the organisation. Discipline requires good supervisors at all levels, clear and fair agreements and judicious application of penalties.

4. Unity of Command: According to Fayol there should be one and only one boss for every individual employee. It implies that every worker should receive orders from one superior only, otherwise it will create confusion, conflict and duplication of work.



5. Unity of Direction: All the units of an organisation should move towards the same objectives through coordinated and focused efforts. Each group of activities having the same objective must have one head and one plan. This ensures unity of action and coordination.



Difference between Unity of Command and Unity of Direction

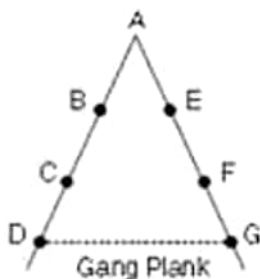
BASIS FOR COMPARISON	UNITY OF COMMAND	UNITY OF DIRECTION
Meaning	Unity of command refers to a principle of management that states that one should get orders from and report to only one boss.	Unity of direction is a management principle, which implies that all the activities with same objective must have one head and one plan.
Purpose	To prevent dual subordination.	To prevent duplication of activities.
Implications	It effects an individual employee	It effects the entire organization
Outcome	The principle leads to effective functioning of the subordinates.	The principle results in coordination of work of various employees and managers.
Relationship	Represents relationship between superior and subordinate.	Represents relationship of activities, as per organizational plans and goals.
Need	To fix the responsibility of each person in the organization.	For efficient functioning of organizational activities.

6. Subordination of Individual Interest to general interest: The interest of an organization should take priority over the interest of any individual employee. In simple words the organisation interest to be prioritized over individual interest.

7. Remuneration of Employees: The overall pay and compensation should be, fair to both employees and the organization. The employees should be given fair wages so that they can have a reasonable standard of living. Wages should be within the paying capacity of the organisation.

8. Centralization and Decentralization: Centralization means concentration of decisions making authority with some, whereas its dispersal among more than one person is Decentralization. Both should be balanced, as no organization can be completely centralized or completely decentralized.

9. Scalar Chain: The formal lines of authority and communication between superiors and subordinates from the highest to the lowest ranks is known as scalar chain. This chain should not be violated but in case of emergency employees at same level can contact through Gang Plank by informing their immediate superiors.



10. Order: According to Fayol “ People and material should be in suitable places at appropriate time for maximum efficiency”. A place for everything and everyone and everything and everyone should be in its designated place

11. Equity: Good sense and experience are needed to ensure fairness to all employees who should be treated as fairly as possible. The working environment of any organization should be free from all forms of and principles of justice and fair play should be followed. No worker should be unduly favoured or punished.

12. Stability of Personnel: Employee turnover should be minimized to maintain organizational efficiency. A personnel should be selected and appointed after rigorous procedure and the selected person should be kept at the post for a minimum tenure to show results.

13. Initiative: Workers should be encouraged to develop and carry out their plan for improvements. Initiative means taking the first step with self-motivation. It is thinking out and executing the plan.

14. Espirit De Corps: Management should promote team spirit, unity and harmony among employees.

Fayol versus Taylor

Basis	Henry Fayol	F.W Taylor
Basis of formation	Personal Experience	Observations and experimentation
Focus	Improvement in the overall administration.	Concentrates on improving the productivity.
Applicability	Universal applicability	Applicable only to specialized situations. Such as in factories
Perspective	Top level management	Lower level - shop floor level
Personality	Researcher and practioner and was called as 'father of general management.	Scientist and was called as 'father of scientific management.
Human element	More importance is attached to increase the production rather than to the human element.	More importance is given to human element e.g., principle of equity, stability of tenure.