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NET, IAS, State-SET (KSET, WBSET, MPSET, etc.), GATE, CUET, Olympiads etc.: Henry Laurence Gantt

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Henry L. Gantt (1861 – 1919) was a close associate of Taylor at Midvale and Bethlehem Steel. Gantt later became an independent consultant and made several contributions to the field of management. He is probably best remembered for his work on the task-and-bonus system and the Gantt chart. Under Gantt's incentive plan, if the worker completed the work fast, i.e. ... In less than the standard time, he received a bonus. He also introduced an incentive plan for foremen, who would be paid a bonus for every worker who reached the daily standard. If all the workers under a foreman reached the daily standard, he would receive an extra bonus. Gantt felt that this system would motivate foremen to train workers to perform their tasks efficiently.

The Gantt Chart is still used today by many organizations. It is a simple chart that compares actual and planned performances. The Gantt chart was the first simple visual device to maintain production control. The chart indicates the progress of production in terms of time rather than quantity. Along the horizontal axis of the chart, time, work scheduled and work completed are shown. The vertical axis identifies the individuals and machines assigned to these work schedules. The Gantt chart compares a firm's scheduled output and expected completion dates to what was actually produced during the year. Gantt's charting procedures were precursors of today's program evaluation and review techniques.

Limitations of Scientific Management

Scientific management has provided many valuable insights in the development of management thought. In spite of the numerous contributions it made, there are a few limitations of scientific management. They are:

- The principles of scientific management revolve round problems at the operational level and do not focus on the management of an organization from a manager's point of view. These principles focus on the solutions of problems from an engineering point of view.
- The proponents of scientific management were of the opinion that people were rational and were motivated primarily by the desire for material gain. Taylor and his followers overlooked the social needs of workers and overemphasized their economic and physical needs.
- Scientific management theorists also ignored the human desire for job satisfaction. Since workers are more likely to go on strike over factors like working conditions and job

content (the job itself) rather than salary, principles of scientific management, which were based on the rational worker model, became increasingly ineffective.

Administrative Theory

While the proponents of scientific management developed principles that could help workers perform their tasks more efficiently, another classical theory the administrative management theory focused on principles that could be used by managers to coordinate the internal activities of organizations. The most prominent of the administrative theorists was Henri Fayol.

French industrialist Henri Fayol (1841 – 1925) , a prominent European management theorist, developed a general theory of management. Fayol believed that with scientific forecasting and proper methods of management, satisfactory results were inevitable. Fayol was unknown to American managers and scholars until his most important work, General and Industrial Management, was translated into English in 1949. Many of the managerial concepts that we take for granted today were first articulated by Fayol. According to Fayol, the business operations of an organization could be divided into six activities

Fayol Principles

Fayol outlined fourteen principles of management:

1. Division of work: Work specialization results in improving efficiency of operations. The concept of division of work can be applied to both managerial and technical functions.
2. Authority and responsibility: Authority is defined as the right to give orders and the power to exact obedience. Authority can be formal or personal. Formal authority is derived from one's official position and personal authority is derived from factors like intelligence and experience. Authority and responsibility go hand-in-hand. When a manager exercises authority, he should be held responsible for getting the work done in the desired manner.
3. Discipline: Discipline is vital for running an organization smoothly. It involves obedience to authority, adherence to rules, respect for superiors and dedication to one's job.
4. Unity of command: Each employee should receive orders or instructions from one superior only.
5. Unity of direction: Activities should be organized in such a way that they all come under one plan and are supervised by only one person.
6. Subordination of the individual interest to the general interest: Individual interests should not take precedence over the goals of the organization.
7. Remuneration: The compensation paid to employees should be fair and based on factors like business conditions, cost of living, productivity of employees and the ability of the firm to pay.
8. Centralization: Depending on the situation, an organization should adopt a centralized or decentralized approach to make optimum use of its personnel.

9. **Scalar chain:** This refers to the chain of authority that extends from the top to the bottom of an organization. The scalar chain defines the communication path in an organization.
10. **Order:** This refers to both material and social order in organizations. Material order indicates that everything is kept in the right place to facilitate the smooth coordination of work activities. Similarly, social order implies that the right person is placed in the right job (this is achieved by having a proper selection procedure in the organization) .
11. **Equity:** All employees should be treated fairly. A manager should treat all employees in the same manner without prejudice.
12. **Stability of tenure of personnel:** A high labor turnover should be prevented and managers should motivate their employees to do a better job.
13. **Initiative:** Employees should be encouraged to give suggestions and develop new and better work practices.
14. **Espirit de corps:** This means a sense of union. Management must inculcate a team spirit in its employees.