

NOTES ON PRINCIPLES OF MANAGEMENT KOONTZ O'DONNELL 1955
Fred Emery 1975

“..COORDINATION IS, IN REALITY, THE SUM TOTAL OF MANAGING.” (p.28)
“THE MOST ANCIENT, AS WELL AS THE MOST IMPORTANT, DEVICE FOR
ACHIEVING COORDINATION IS THE SUPERVISOR.” (p. 38)

Our difference with K and O'D starts precisely from their unproven assumption that the supervisor is “the most important device for achieving coordination”. We do not differ on their first point, nor deny that the supervisor has been the key link in an ancient and widespread current tradition of management.

Within their concept of coordination, “CONTROL OF THINGS IS ACHIEVED THROUGH CONTROL OF PEOPLE... Nothing can be done about reducing scrap, buying according to specifications, or sales returns until the personal responsibility for deviations has been determined” (p.36).

These simple fundamental concepts are what is at the heart of their ‘Principles of Organization’ (1955).

Before tracing out the implications for their list of principles it is instructive to look at the list of principles put forward by Henri Fayol – a list that they regard as a critical precedent.

Some of Fayol's principles are as general as the phenomena of joint human activity and need to be borne in mind whether organizations are built around the supervisor as the key device, or not. Thus,

‘Division of labour’: there are usually economies to be gained from some degree of specialization but the degree of specialization is a question of finding an optimal level, not maximizing it. A degree of specialization that denies individuals what they require of their jobs, or ignores the flexibility required by changing resource availability or product definition can be as maladaptive as failing to recognize the advantages of cumulative know-how or specialized training. At any one time the most serious error may lie to one side or the other. As a principle of management it is always true.

‘Authority and responsibility’: these must be positively related if any extended joint action is to prevail, but it does not follow as Fayol would imply, that the locus is with an individual, not a group.

‘Unity of command/direction’: these are essential for joint activity but again it does not follow that they come from the authority of an individual. Nor can one interpret them too literally. Examples can be given where growth in organizational learning and adaptiveness require some disunity in command and some multi-directionality. Again it would seem that more is to be understood by looking to see what is optimal.

‘Remuneration/Equity’: There is no doubt but there is a general principle here. It does not follow that the principle can only be realized in the direct relation between a supervisor and an individual employee. Trade unions have already seen to that in much of Western society and it has been the historical tradition of much of the East that the pay-off for individual effort and contribution should come back through improving the face of the family.

Elsewhere I have specified more such organizational principles that follow from the general character of man and his organizations (1959, 1972). My point at the moment is to underline the existence of such general principles and to stress that they do not necessarily lead to the form of organization that Fayol recommends. (nor K and OD).

Some of Fayol’s other principles seem to be no more than the principles for designing organization based on the supervisor as ‘the key link’. E.g.,:

‘Order’: ‘a place for everyone, and everyone in his place’. If an organization is established this way then ‘control of things through the control of people’ is possible, in its most simple and direct way. Coordination of the activities of diverse people with different ends becomes possible.

‘Scalar chain’: each supervisor has his place vis-à-vis the next supervisor. That is, order prevails, from top to bottom.

The remainder of Fayol’s principles seem much more like guide-lines for alerting a manager to the major problems of managing a system based on the supervisor as the key link. The first is, in our view, critical;

“Subordination of individual interest to general interest. In any group the interest of the group should supersede that of the individual.” (p25). That there might be a first requirement to establish a common interest is ignored.

‘Centralization’ - indefinite.

‘Stability of tenure of personnel’ very desirable.

‘Initiative’ very desirable.

‘Esprit de corps’ very desirable.

Only the first of this set of Fayol’s ‘principles’ is a statement of principle. The remainder simply remind the manager that these are ever-recurring areas of difficulty but suggest no principled way of coping with them.

The remainder of this text-book does little more than identify ways in which the manager of a bureaucratically organized system might cope with the inevitable man-organization problems generated by such a system.