

Centralization of the Administrative Services (HR & Finance) Harvard Case Solution & Analysis

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- Division of Work
- Authority
- Discipline
- Unity of Command
- Unity of Direction
- Subordination of individual
- Remuneration

According to the Encyclopedia, administrative theory, classical administrative theory An early form of organization theory, pioneered mainly by Henri Fayol (1841–1925), which was concerned principally with achieving the 'most rational' organization for co-ordinating the various tasks specified within a complex division of labour

First Identified Five Functions of the Managers

- Planning
- Organizing
- Commanding
- Coordinating
- Controlling



Fayol Described the practice of management as something distinct from accounting, production, distribution and other typical business functions. His belief that management was an activity common to all business endeavors, government and even the home led to him to develop 14 principles of management- fundamental rules of management that could applied to all organizational situations.

14 Principles of Management

- Division of Work
- Authority
- Discipline
- Unity of Command
- Unity of Direction
- Subordination of individual interest to the general interest
- Remuneration

Principles of Command

- Centralization
- Scalar Chain
- Order
- Equity
- Stability of tenure of personnel
- Initiative
- Esprit de corps

Advantages of General Administrative Theory

- It is the most comprehensive administrative management theory. Henri Fayol's theory is extremely comprehensive as a way to deal with management techniques. It is also the most proven to work. Its being comprehensive as it covers just about anything one might need to do in a management position to ensure success.