

Historical Roots of Management Practices



⌘ Historical Perspective

- ☑ Classical
- ☑ Behavioral
- ☑ Quantitative

⌘ Contemporary Perspective

- ☑ Systems
- ☑ Contingency
- ☑ Quality-management

Scientific Management

- ⌘ Key Concepts: Used scientific methods to determine “one best way” to perform production tasks. Emphasized study of tasks, and the selection and training of workers.
- ⌘ Contributions: Improved factory productivity and efficiency; piece-rate system equated worker rewards and performance, and instilled cooperation between management and workers.
- ⌘ Limitations: Workers viewed as parts of a machine, and ignored organization’s relationship with the environment.

Frederick Taylor's Four Principles of Management

- ⌘ Develop a science for each element of an individual's work, which replaces the old rule-of-thumb method.
- ⌘ Scientifically select and then train, teach, and develop the worker.
- ⌘ Heartily cooperate with the workers so as to ensure that all work is done in accordance with principles of the science that has been developed.
- ⌘ Divide work and responsibility almost equally between management and workers. Management takes over all work for which it is better fitted than workers.

Administrative Management



- ⌘ Key concepts: Fayol's 5 functions and 14 principles; the role of top executives, and the need to respond to changing developments.
- ⌘ Contributions: Viewed management as a profession which can be taught. Emphasized policy aspects of top management. Offered universal managerial prescriptions.
- ⌘ Limitation: Universal prescriptions need to be modified to take into consideration personnel environmental, and technological factors.

Fayol's Fourteen Principles of Management



- ⌘ Division of work
- ⌘ Authority
- ⌘ Discipline
- ⌘ Unity of command
- ⌘ Unity of direction
- ⌘ Subordination of individual interests to the General Interest
- ⌘ Remuneration

Fayol's Principles (Con.)



- ⌘ Centralization
- ⌘ Scalar chain
- ⌘ Order
- ⌘ Equity
- ⌘ Stability of tenure of personnel
- ⌘ Initiative
- ⌘ Esprit de Corps

Bureaucracy



- ⌘ Key Concepts: Structured, formal network where rules and regulations standardize behavior. Jobs staffed by trained specialists who follow rules, and the hierarchy defines relationships among jobs.
- ⌘ Contributions: Promotes efficient performance or routine activities; eliminates subjective judgement by employees and management; and emphasizes the position rather than the person.

Weber's Ideal Bureaucracy



- ⌘ Division of labor
- ⌘ Authority hierarchy
- ⌘ Formal selection
- ⌘ Formal rules and regulations
- ⌘ Impersonality
- ⌘ Career orientation

Bureaucracy (continued)



⌘ Limitations: Limited organizational flexibility and slow decision making. Ignores the importance of people and interpersonal relationships. Accumulation of power can lead to authoritarian management. Rules can become ends in themselves. Difficult to dismantle once established.

Behavioral/Human Relations

- ⌘ Key concepts: Informal work group has an impact; cohesion, status and group norms determine output; social needs have precedence over economic , and managers should stress employee welfare and motivation.
- ⌘ Contributions: Psychological and social processes influence performance. Maslow's hierarchy.
- ⌘ Limitations: Ignored workers rational side and the role of the formal organization. Happy workers are not always more productive.

McGregor's Theory X and Y

Herzberg's Motivation-Hygiene

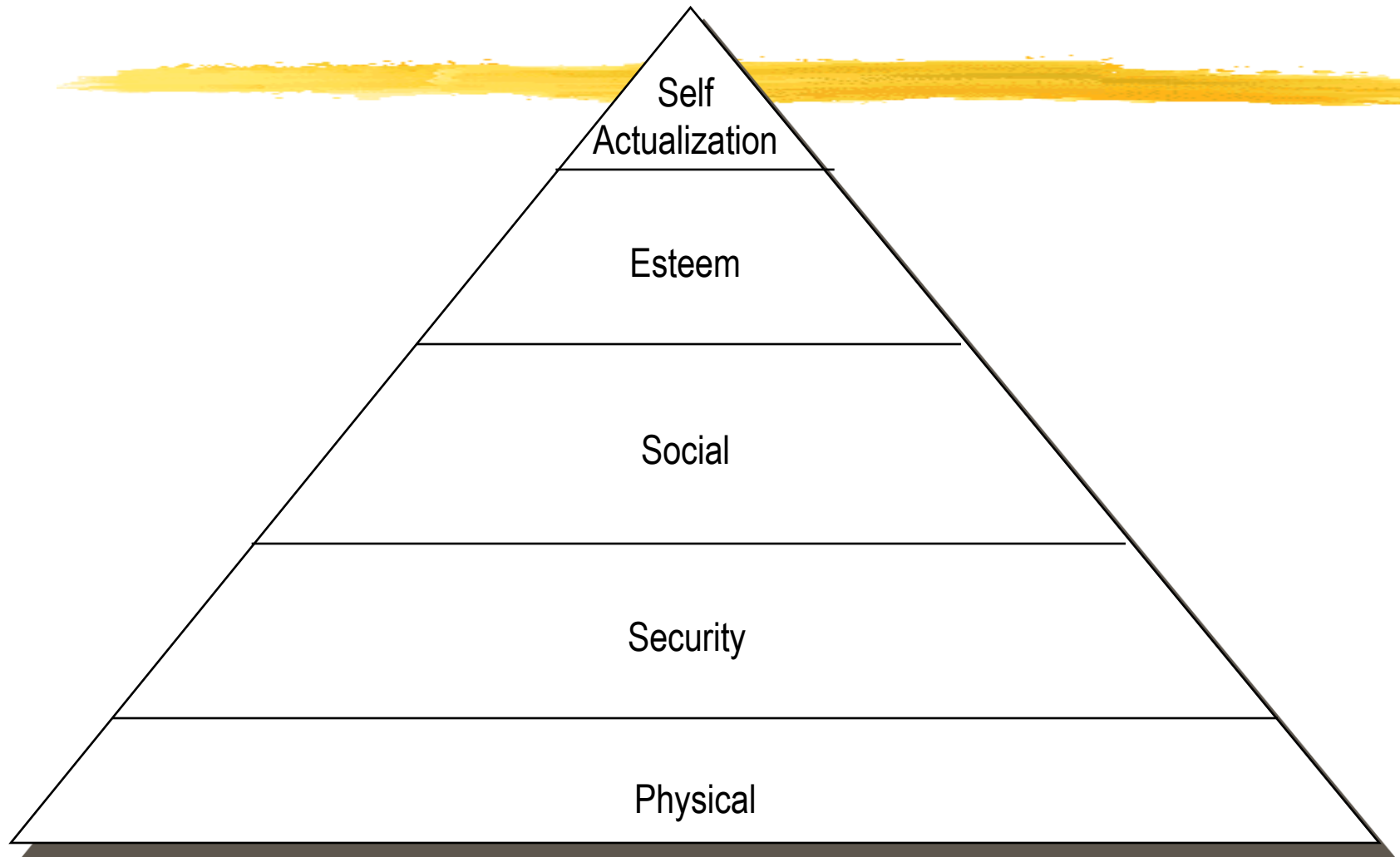
- ⌘ Theory X assumes that employees dislike work, are lazy, seek to avoid responsibility, and must be coerced to perform.
- ⌘ Theory Y assumes that employees are creative, seek responsibility, and can exercise self-direction.
- ⌘ Herzberg's Motivation-Hygiene Theory states that some factors eliminate job Dissatisfaction (Hygiene factors) and other factors increase job Satisfaction (Motivators)

The Hawthorne Studies

Maslow's Hierarchy of Needs

- ⌘ The Hawthorne Studies dramatized that a worker was not a machine and forced recognition of the effects of individual and group behavior.
- ⌘ Maslow's hierarchy of five basic human needs
 - ☑ Physiological needs
 - ☑ Safety needs
 - ☑ Social needs
 - ☑ Esteem needs
 - ☑ Self-actualization needs

Maslow



People have needs. Needs drive behavior.

Quantitative Management



- ⌘ Key concept: The application of quantitative analysis to management decisions.
- ⌘ Contributions: Developed mathematical methods of problem analysis, and helped managers select best alternative among a set.
- ⌘ Limitations: Models neglect non-quantifiable factors and are not suited for non-routine or unpredictable management decisions.

Systems Theory



- ⌘ Key concepts: Organization is viewed as an open system. Objectives must encompass both efficiency and effectiveness. Organizations have sub-systems. There are many avenues to the same outcome, and synergies exist where the whole is greater than the sum of its parts.
- ⌘ Contribution: Recognition of importance of organization's relationship with environment.
- ⌘ Limitation: Does not provide specific guidance on the functions and duties of managers.

Contingency Theory

- ⌘ Key concepts: Situations influence strategies, structures and processes. There is more than one way to reach a goal, and managers may adapt their organizations to the situation.
- ⌘ Contributions: Identified major contingencies and argued against universal principles of management.
- ⌘ Limitations: Not all critical contingencies have been identified, and the theory may not be applicable to all managerial issues.

The Learning Organization

- ⌘ An organization that has developed the capacity to adapt and change... continuously.
 - ☑ Creating and acquiring knowledge
 - ☑ Transferring knowledge
 - ☑ Modifying behavior
- ⌘ An organization that facilitates the lifelong learning and personal development of all employees while continually transforming itself to respond to changing demands and needs.

Organizational Behavior



- ⌘ Key concepts: Promotes effectiveness through understanding individual, organizational and group processes and stresses relationships. Assumes employees want to work (Theory Y).
- ⌘ Contributions; Increased participation, greater autonomy, individual challenge and initiative, enriched jobs and recognized importance of developing human resources.
- ⌘ Limitation: Environment and technology were sometimes ignored.