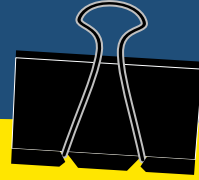


The background of the slide is a blurred image of three business professionals in a modern office setting. Two men in suits are standing and talking, while a woman in a business suit stands between them. In the foreground, there are several sheets of paper with colorful bar charts and a pen resting on them. A yellow cloud-like shape in the top left corner contains the text 'Week 01'. A large yellow arrow points from the left towards the center, containing the text 'Capsule – A: Introduction to Management'. In the bottom right corner, the text 'Instructor – Maria Mohsin' is displayed.

**Week 01**

## **Capsule – A: Introduction to Management**

**Instructor – Maria Mohsin**



# **Unit # 1:**

## **Management & Organizations**

# What is Management?

- Management is the administration of an organization, whether it's a business, a non – profit organization or a government body.

Early 20<sup>th</sup> century management scholar Mary Parker Follett defined management as “the art of getting things done through people”

- The attainment of organizational goals in an effective and efficient manner through planning, organizing, leading and controlling organizational resources

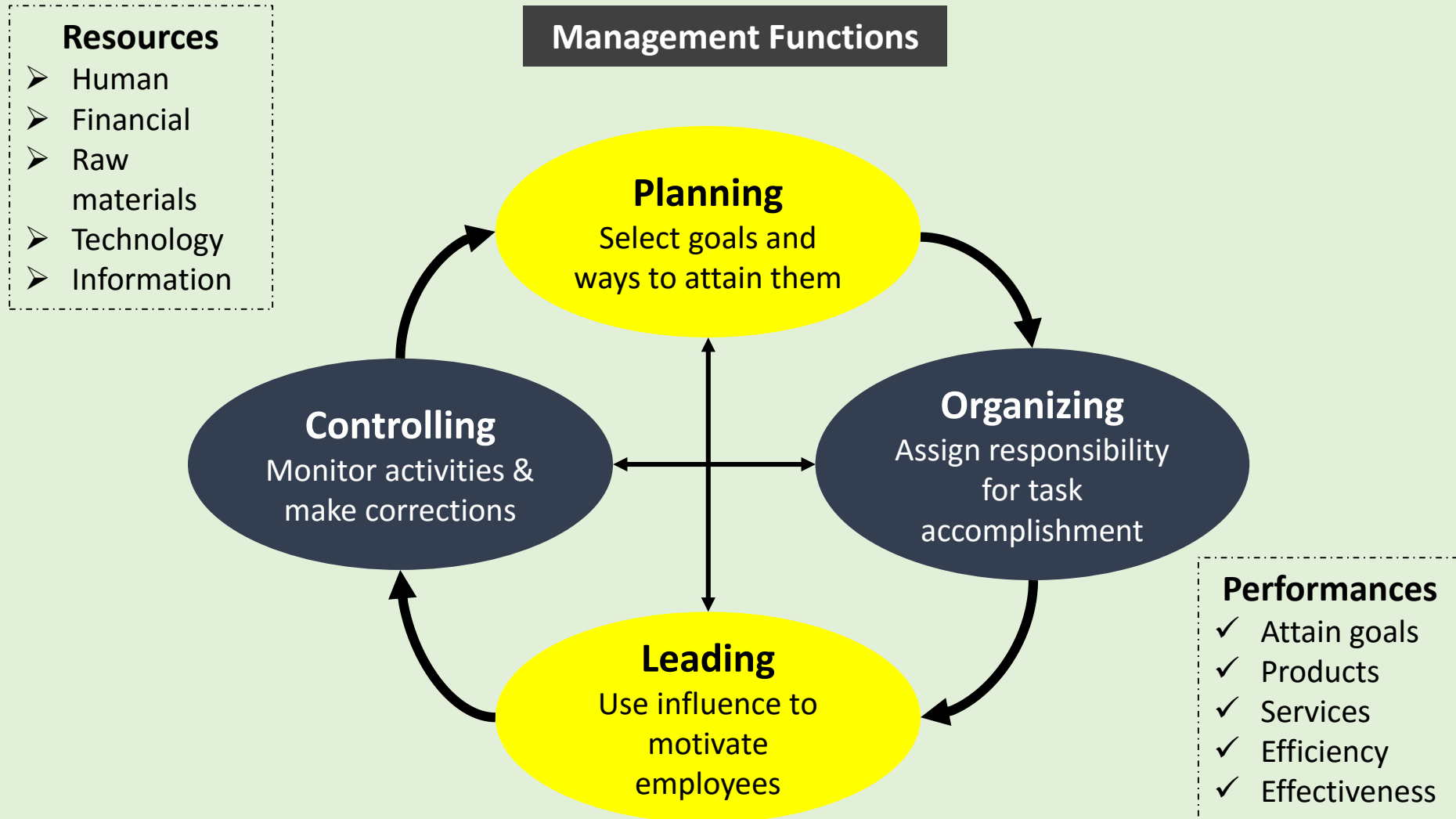
A key aspect of managing is recognizing the role and importance of others.

- Getting things done through people and other resources and providing leadership and direction are what managers do

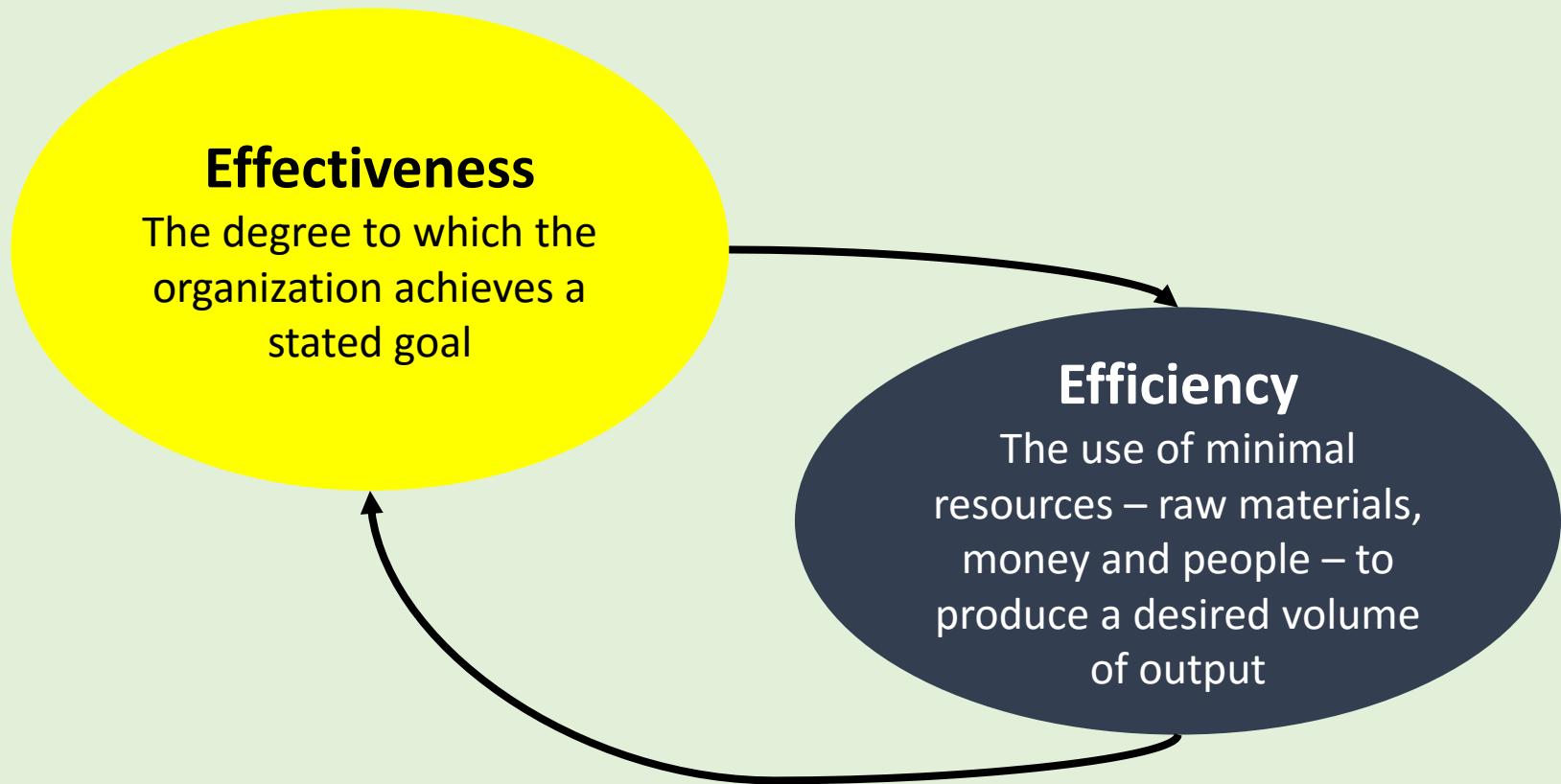
Two important ideas in this definition

- **The four functions** i.e. planning, organizing, leading & controlling
- The attainment of organizational goals in **effective and efficient manner**

# What is Management?



# What is Management?



# History of Management

Students wonder why history matters to managers!

History provides a broader way of thinking

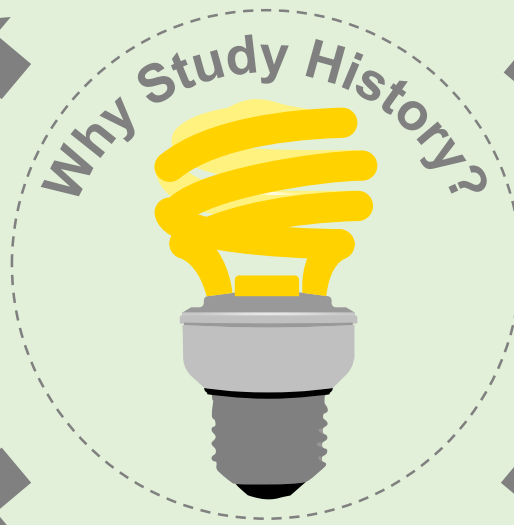
It provides a way of searching for patterns

It determines whether they recur across time periods

A study of the past contributes to understand both the present and the future

It is a learning to understand why things happen to improve our organizations in the future

Studying history is a way to achieve strategic thinking, see the big picture and improve conceptual skills



- Management has been practiced from a long time.
- Social, political and economic forces have influenced organizations and the practice of management

# History of Management

## Social Forces

The aspects of a culture that guide and influence relationships among people

- Their values,
- Their needs
- Their standards of behavior

## Political Forces

The influence of political and legal institutions on people and organizations

## Economic Forces

Forces that affect the availability, production and distribution of a society's resources among competing users

# History of Management

We are going to take a trip back in time to see how the field of **Management** has evolved with time

What we see today is that **today's Managers** still **use many elements of the historical approaches** to management

The Management History Modules covers the following approaches;

**Early  
Management  
Approach**

**Classical  
Approach**

**Behavioral  
Approach**

**Quantitative  
Approach**

**Contemporary  
Approach**



# History of Management

Organized endeavors directed by people responsible for planning, organizing, leading and controlling activities have existed for thousand of years

**Early  
Management  
Approach**

The **Egyptian pyramids** and the **Great Wall of China** completed in ancient times are proof of projects with tremendous scope, employing thousand of people.

It took almost 100,000 workers and some 20 years to construct a single pyramid.

- Now, who told each worker what to do? How to do?
- Who ensured that there would be enough stones at the sites to keep workers busy?
- Who ensured workers to get the work done

The answer is **Managers!**



Instructor: Maria Mohsin

# History of Management

## Example 2

### Early Management Approach

The city of Venice was a major economic and trade center in the 1400s. The Venetians developed an early form of business enterprise and engaged in many activities common to today's organizations. For instance;

- At the Arsenal of Venice, warships were floated along the canals and each stop materials and riggings were added to the ship. Sounds like, a car floating along an assembly line.
- The Venetians used warehouse and inventory systems to keep track of materials, human resource management functions to manage the labor (including wine breaks) and an accounting system to keep track of finances (revenues and costs).



# History of Management

## Example 3




### Early Management Approach

Starting in the late 18<sup>th</sup> century, a point in history, known as **industrial revolution**, the machine power substituted for human power,

- It became more **economical** to manufacture goods in factories rather than at home.
- Requirement for skilled staff arose i.e.
  - to forecast demand
  - to ensure enough material was on hand to make products
  - To assign tasks to people
  - Monitor direct daily activities
- This skilled staff was a **Manager**.
- These managers needed formal theories to guide them in running large organizations
- It wasn't until the early 1900s, that the first steps towards developing such theories were taken.

# History of Management

The formal study of management didn't start until early in twentieth century



**Classical Approach**

- The classical approach mainly focused on **making organizations and workers as efficient as possible**.
- Two major theories comprises the classical approach i.e.

## Scientific Management Theory

**Two** most important **contributors** to scientific management theory were;

- Frederick W. Taylor
- Frank & Lillian Gilbreth (a husband – wife team)

## General Administrative Theory


**Two** most important **contributors** to general administrative theory were;

- Henry Fayol
- Max Weber

# History of Management

## Scientific Management Theory

Frederick W.  
Taylor



Classical  
Approach

**Taylor** worked at Midvale & Bethlehem Steel Companies in Pennsylvania as a **Mechanical Engineer**.

### Work Background

- He was continually appalled by the workers in efficiencies
- Employees used different techniques to get the same work done
- No standards existed
- Workers were placed in jobs with little or no concern for matching their abilities and aptitudes with tasks they were required to do
- **He spent more than two decades pursuing the one best way for jobs to be done.**

# History of Management

## Scientific Management Theory

### Classical Approach

The best known example of Taylor's scientific management efforts is **"Pig Iron"** experiment.

Workers loaded  
(92 lbs. each) to  
rail cars



Average daily  
Output  
12.5 tons

Increased  
Output  
can be  
achieved




Up to  
47 or  
48  
tons  
per day

### Taylor Succeeded using the following;

- By putting **right person for the right job**
- by providing **correct tools & equipment**
- **Motivating the worker** with an economic incentive

# History of Management

## Scientific Management Theory



Classical  
Approach


### Taylor Scientific Management Principles

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

# History of Management

## Scientific Management Theory

Frank & Lillian  
Gilbreth



Classical  
Approach

- Frank Gilbreth was a construction contractor
- Lillian Gilbreth was a psychologist
- Quit their careers to study work to eliminate inefficient hand and body motions
- Believed in **regulation and consistency in the workplace**
- Placed high value on **efficiency** when managing an organization
- Frank is best known for his brick layering experiments
- The Gilbreth's invented a device called a **micro-chronometer** (used to record worker's hand & body motions and the amount of time spent by each motion)



# History of Management

## Scientific Management Theory

Frank & Lillian Gilbreth

### Classical Approach

Their management theory outlined three main points

**Reduce the number of motions in a task.**

- Coined the term "therbligs"
- are 18 kinds of motions
- figure out which motions were necessary, then eliminate any unnecessary motions to increase efficiency

**Focus on the incremental study of motions and time**

- closely studied motion and time to calculate the most efficient way to complete a given task
- measured time and motion to 1/2000 of a second
- To understand what works best

**Increase efficiency to increase profit and worker satisfaction**

- Increasing efficiency will not only save time, but will also afford you a higher profit and happier workers.


# History of Management

## General Administrative Theory

Henry Fayol

Focused on what managers do and what constituted good management practice.

Set of **14 Principles of Management** detailed as following;




**Classical  
Approach**

1. **Division of work** - Specialization increases output by making employees more efficient
2. **Authority** - Managers must be able to give orders & authority gives them this right
3. **Discipline** - Employees must obey the governing rules of the organization
4. **Unity of command** - every employee should receive orders from only one superior
5. **Unity of direction** - There should be one plan of action to guide employees, not possibly conflicting plans tugging employees in different directions.
6. **Subordination of individual interests to general interests** - The interests of a single employee do not override those of the entire organization
7. **Remuneration** - Employees must be paid a fair wage
8. **Centralization** - The amount of decision making should be properly balanced throughout the organization, and not just at the top

# History of Management

## General Administrative Theory


Henry Fayol



### Classical Approach

- 10. Scalar chain** - There should be a direct line of authority from the top of the corporate hierarchy to the bottom, so that any employee can contact a manager in the line of authority if an issue arises that needs a decision
- 11. Order** - Employees must have the correct resources available to complete their jobs properly (including a clean & safe workplace)
- 12. Equity** - Employees should be treated fairly and well, no gender discrimination, no unfair promotions
- 12. Stability of tenure of personnel** - minimal employee turnover, which can be assisted by proper personnel planning, so that new hires can be brought in in an orderly manner.
- 13. Initiative** - Employees should be allowed to express their ideas, resulting in increasing the competitiveness of the business
- 14. Esprit de corps** – promoting team spirit (building harmony & unity within organization)

# History of Management



## Behavioral Approach

- The Behavioral approach was a **reaction to the short-comings of classical management theory** that focused on individual productivity and through efficiency and organizational structure.
- Focuses upon individual behavior, motivations, and social interactions.
- it is also called as **human relations movement** because it addresses the human dimension of work.
- Behavioral theorists believed that a better understanding of human behavior at work, such as **motivation, conflict, expectations, and group dynamics**, improved **productivity**.
- The theorists who contributed to this school viewed employees as individuals, resources, and assets to be developed and worked with — not as machines, as in the past.

# History of Management



## Quantitative Approach

- The **quantitative approach** to management involves the use of quantitative techniques to improve decision making , such as:
  - statistics,
  - information models, and
  - computer simulations,
- Managers can use **computer models** to figure out the best way to do something — saving both money and time. Managers use several science applications.
- **Mathematical forecasting** helps make projections that are useful in the planning process.
- **Inventory modeling** helps control inventories by mathematically establishing how and when to order a product.
- **Queuing theory** helps allocate service personnel or workstations to minimize customer waiting and service cost

# History of Management



## Contemporary Approach

- Contemporary means new, recent or current approaches in the field of management.
- This approach looks at the following two approaches;

### System Theory

A set of interrelated and interdependent parts arranged in a manner that produces a unified whole system.

It is split into further two systems;

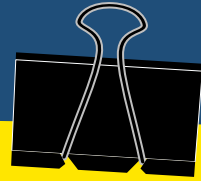
1. **Closed systems** (that are not influenced by & do not interact with the environment e.g. production line)
2. **Open systems** (systems that interact with the environment e.g. capital, employees, market information, government etc.)

### Contingency Approach

It is a management approach that says that organizations are different, have face different situations and require different ways of managing.

Managers tools includes the following in order to maintain situations in the best way;

- ✓ Personal evaluations
- ✓ One on one meetings
- ✓ Building rapports mutually with teams
- ✓ Team building exercises
- ✓ Thorough conferences and trainings



**The End**