

ESSENTIALS OF MANAGEMENT:

Management: Science, Theory, and
Practice

Definition of Management

Management is the process of designing and maintaining an environment in which individuals, working together in groups, efficiently accomplish selected aims

Functions of Management

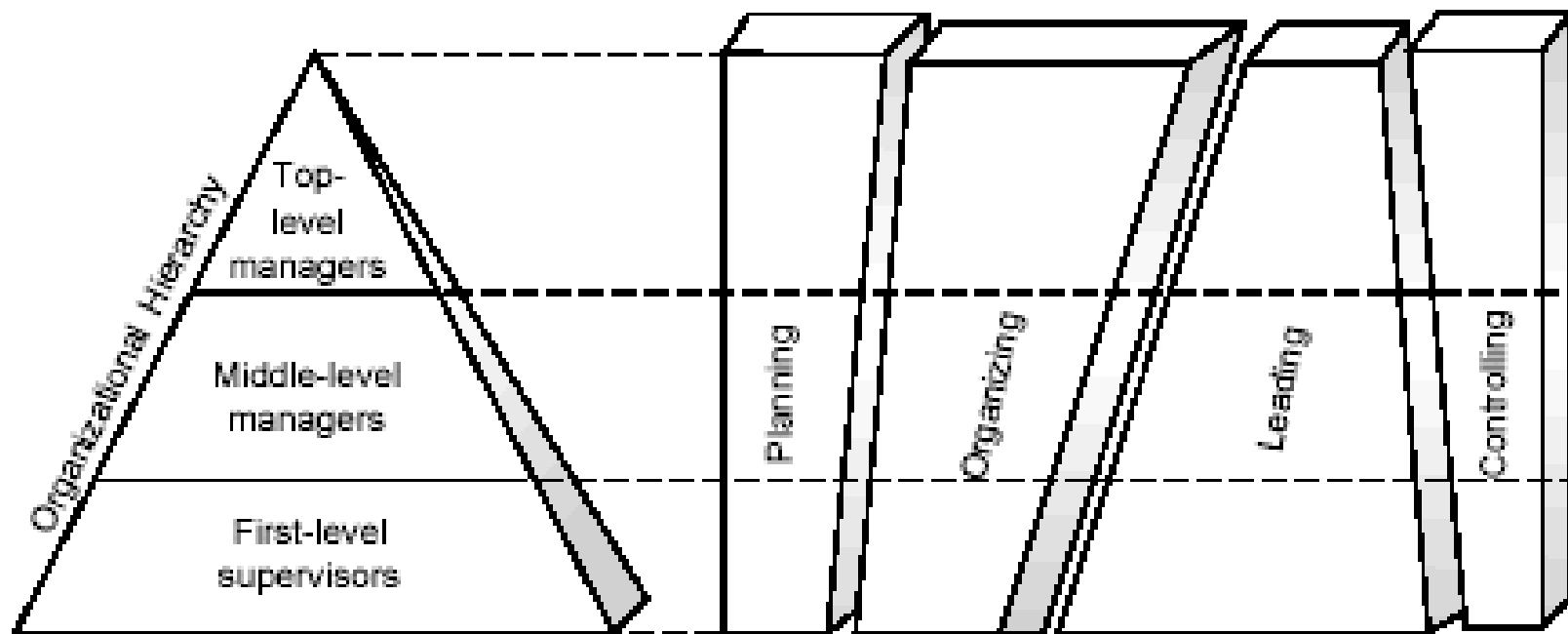
The 5 managerial functions around which managerial knowledge are organized are:

planning,
organizing,
staffing,
leading, and
controlling

Managerial Functions at Different Organizational Levels

- No basic distinction is made between managers, executives, administrators, and supervisors
- All managers carry out managerial functions. However, the time spent for each function may differ

Time Spent in Carrying Out Managerial Functions



Managerial Skills and the Organizational Hierarchy

The four skills for administrators are:

- technical,
- human,
- conceptual, and
- design skills

The Goals of All Managers and Organizations

- The aim of all managers should be to create a surplus. Thus, managers must establish an environment in which people can accomplish group goals with the least amount of time, money, materials, and personal dissatisfaction

Characteristics of Excellent Companies (Peters & Waterman)

These firms

- * Were oriented toward action
- * Learned about the needs of their customers
- * Promoted managerial autonomy and entrepreneurship
- * Achieved productivity by paying close attention to the needs of their people
- * Were driven by a company philosophy often based on the values of their leaders
- * Focused on the business they knew best
- * Had a simple organization structure with a lean staff
- * Were centralized as well as decentralized, depending on appropriateness

Excellent Companies Adapt to Changes in the 21st Century

- To be successful in the 21st Century, companies must take advantage of the new information technology - especially the Internet - and globalization
- M-Commerce is mobile or wireless commerce

Definition of Productivity

- Productivity is the output-input ratio within a time period with due consideration for quality

Definitions of Effectiveness and Efficiency

- Productivity implies effectiveness and efficiency in individual and organizational performance
- **Effectiveness** is the achievement of objectives
- **Efficiency** is the achievement of the ends with the least amount of resources (time, money, etc.)

Managing: Science or Art?

- Managing as practice is an art; the organized knowledge underlying the practice may be referred to as a _science

The Evolution of Management Thought & Patterns of Management Analysis

- Frederick Taylor and Scientific Management
- Fayol, the Father of Modern Operational Management Theory
- Elton Mayo and F. Roethlisberger and the Hawthorne Studies
- Recent Contributors to Management Thought

Taylor's Principles of Scientific Management

1. Replacing rules of thumb with science
(organized knowledge)
2. Obtaining harmony in group action, rather than discord
3. Achieving cooperation of human beings, rather than chaotic individualism
4. Working for maximum output, rather than restricted output
5. Developing all workers to the fullest extent possible for their own and their company's highest prosperity

Fayol, the Father of Modern Operational-Management Theory

- Authority and responsibility. authority is a combination of official-factors and personal factors
- Unity of Command. Employees should receive orders from one
- superior only
- Scalar Chain. A "chain of superiors" from the highest to the lowest ranks should be short-circuited when to follow it scrupulously would be detrimental
- Esprit de Corps. This is the principle that "in union there is strength"

Elton Mayo and F. Roethlisberger and the Hawthorne Studies.

- In general, that the improvement in productivity was due to such social factors as morale, satisfactory interrelationships between members of a work group (a "sense of belonging"), and effective management--a kind of managing that would understand human behavior, especially group behavior, and serve it through such interpersonal skills as motivating, counseling, leading, and communicating

PATTERNS OF MANAGEMENT ANALYSIS: A MANAGEMENT THEORY JUNGLE?

- (1) the empirical, or case, approach,
- (2) the managerial roles approach,
- (3) the contingency, or situational, approach,
- (4) the mathematical, or "management science," approach,
- (5) the decision theory approach,
- (6) the reengineering approach,
- (7) the systems approach,

PATTERNS OF MANAGEMENT ANALYSIS:

-- continued

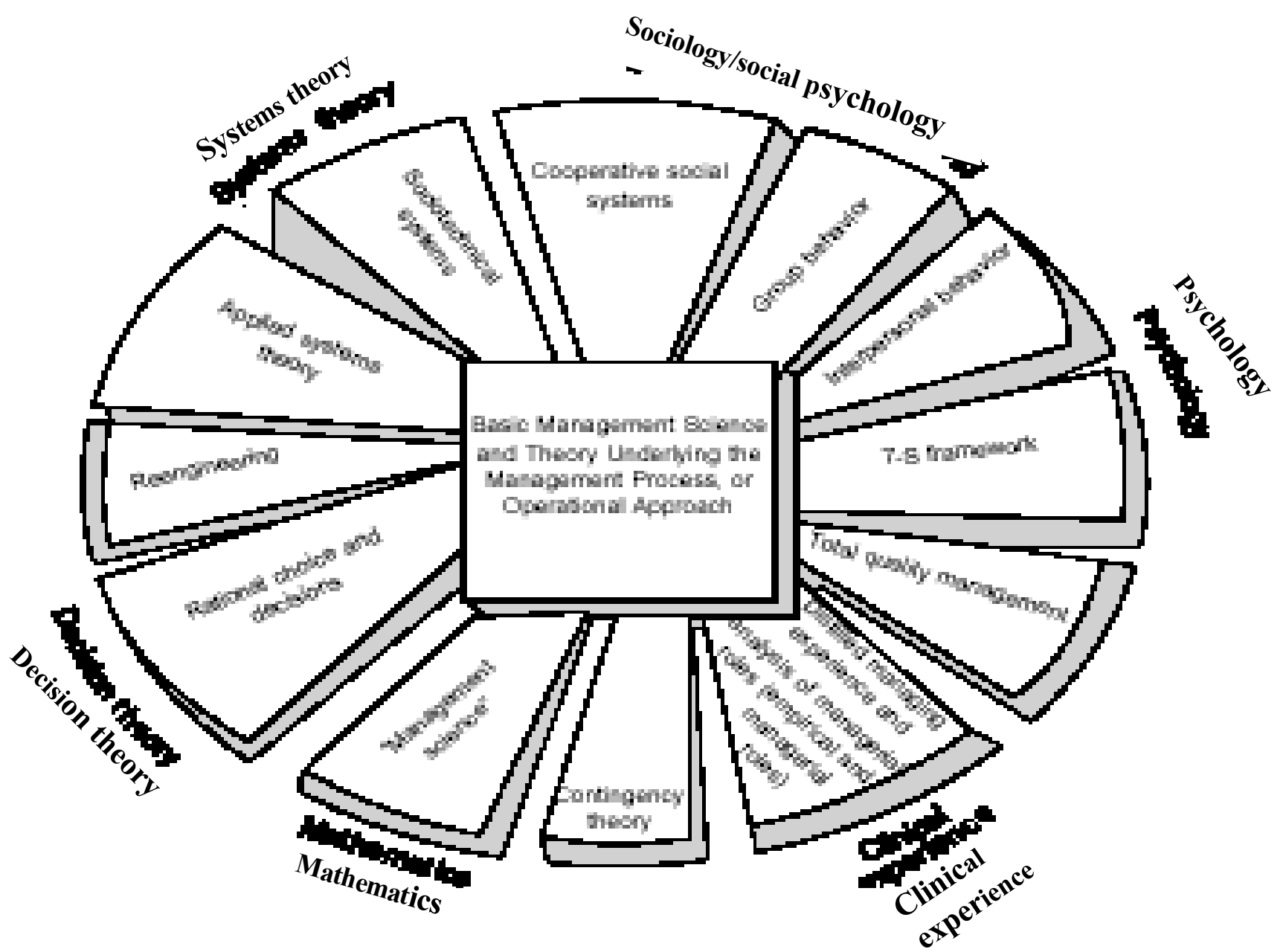
- (8) the sociotechnical systems approach,
- (9) the cooperative social systems approach,
- (10) the group behavior approach,
- (11) the interpersonal behavior approach,
- (12) McKinsey's 7-S framework,
- (13) the total quality management approach,
- (14) the management process, or
operational, approach.

The Managerial Roles Approach (Mintzberg)

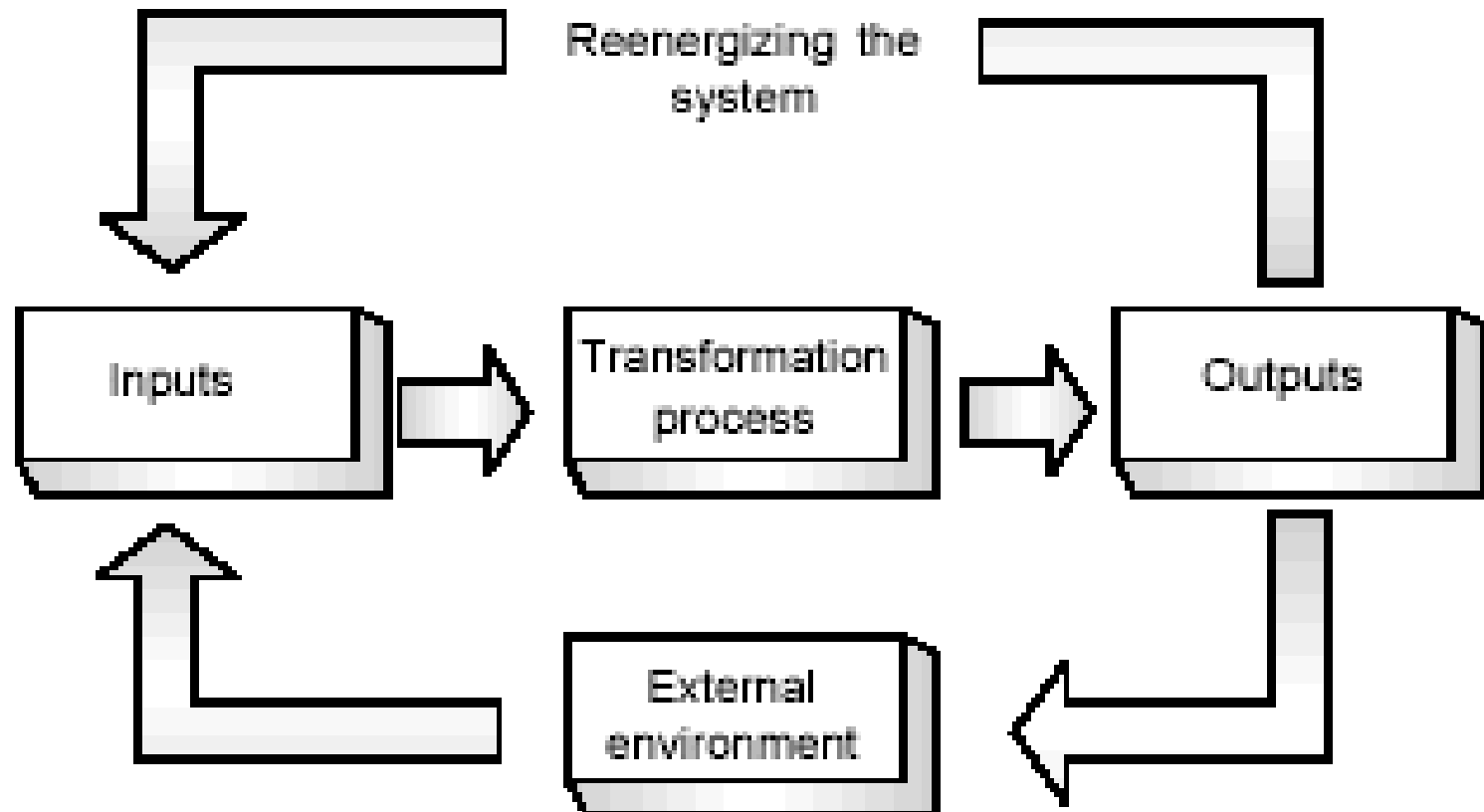
- 3 Interpersonal roles
- 3 Informational roles
- 4 Decision roles

The Management Process, or Operational, Approach

- This approach draws together the pertinent knowledge of management by relating it to the managerial job--what managers do
- It integrates the concepts, principles, and techniques that underlie the task of managing



A Basic Input-Output Model



The Five Managerial Functions

- Planning
- Organizing
- Staffing
- Leading
- Controlling

Definition of Planning

- Planning involves selecting missions and objectives and the actions to achieve them; it requires decision making

Definition of Organizing

- Organizing involves establishing an intentional structure of roles for people to fill in an organization

Definition of Staffing

- Staffing involves filling, and keeping filled, the positions in the organization structure

Definition of Leading

- Leading is influencing people so that they will contribute to organization and group goals

Definition of Controlling

- Controlling is measuring and correcting individual and organizational performance to ensure that events conform to plans

The Systems Model of Management

