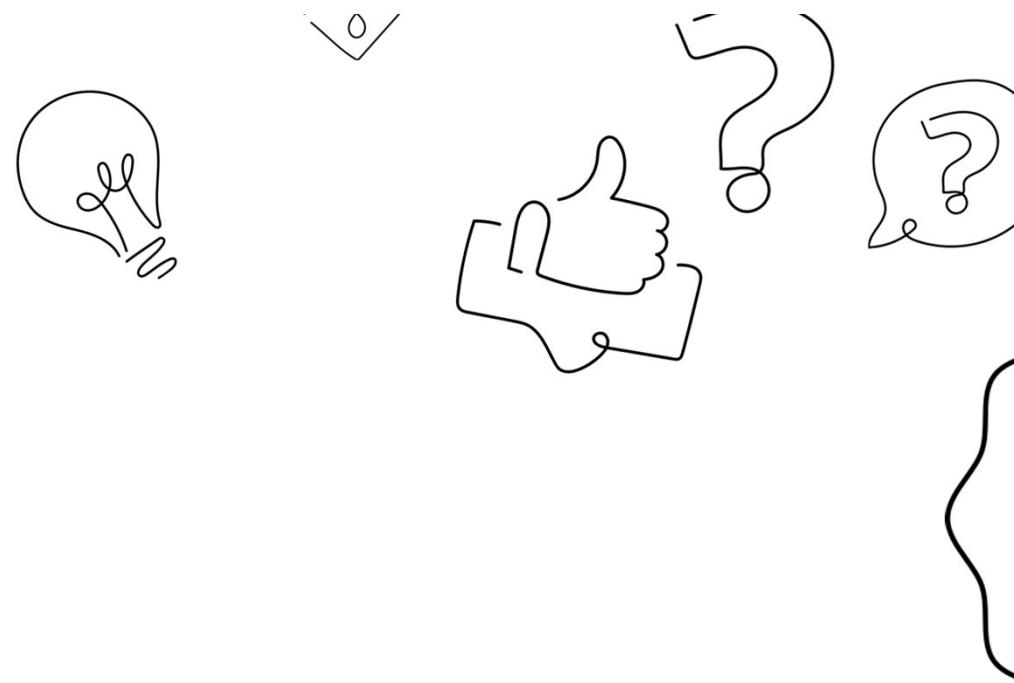


# Concept of Management





**Ever had to manage anything?**



01/

## Traditional Concept

Concerned with the “art of  
getting things done  
through others.”



02/

## Modern Concept

**doing the right things** → Achieve goal  
**effectively and**  
**efficiently.**

↑  
**doing things right**



**Management is the art of knowing what you want to do and then seeing that it is done in the best and cheapest way.**

This is efficient.





↙

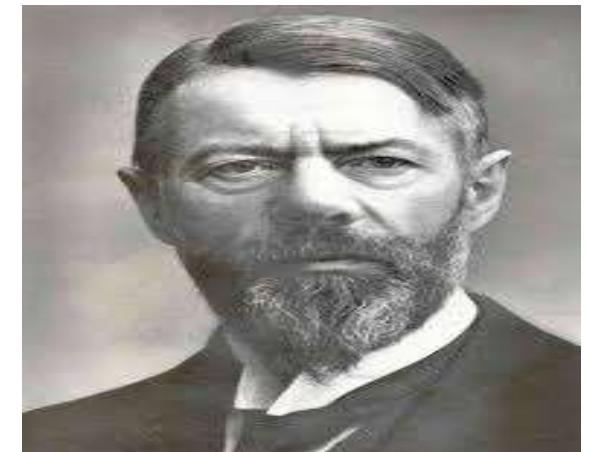
↳

?

Where does Human Resource  
Management comes from?

# History

Origin → Max Weber



## Industrial Revolution (1760)

When new technologies resulted in the adoption of new manufacturing techniques, including increased mechanization

Led to significant social & cultural change, including new forms of organization.

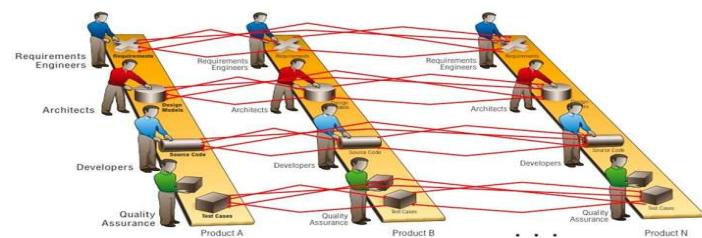
Bureaucracy refers to a system of government or organization in which decisions are made by state officials or administrators rather than by elected representatives.

Max Weber described **bureaucracy** as an ideal type of organization.

## 1. Task specialization:

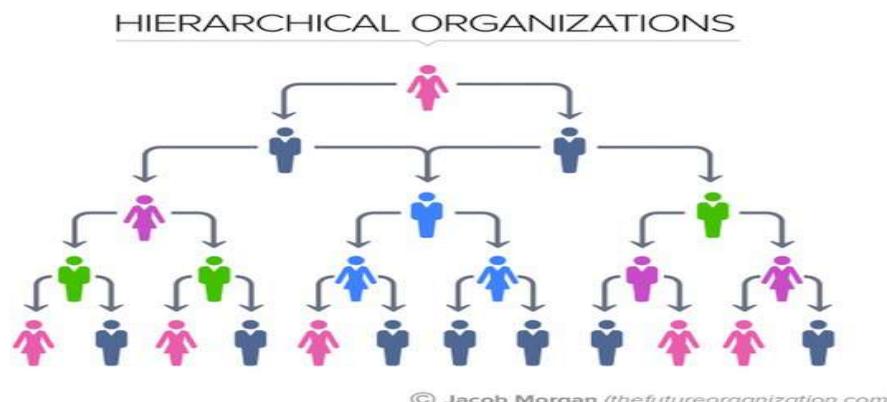
Tasks are divided into simple, routine categories on the basis of competencies and functional specializations.

EXAMPLE OF WORK SPECIALIZATION



## 2. Hierarchical layers of authority:

Managers are organised into hierarchical layers, where each layer of management is responsible for its staff and overall performance.



### 3. Formal selection:

- Selected on the basis of **technical skills and competences**, which have been acquired through training, education and experience.
- Level of **salary** is dependent on **position**.
- Contract terms** are determined by **organisational rules and requirements**
- The **employee has no ownership interest in the company**.



#### 4. Rules and requirements:

- All administrative processes are defined in the official rules. By enforcing strict rules, the organization can more easily achieve uniformity and all employee efforts can be better coordinated.
- The rules and requirements are more or less stable and always formalized in so-called official reports.



an environment or situation where interactions lack personal touch, warmth, or emotional connection. In such settings, interactions are typically formal, professional, and based on rules or procedures rather than personal relationships.



**5. Impersonal:** Weber believed that the workplace should be a professional and impersonal setting. To ensure that all employees are treated fairly and equally, managers should maintain an impersonal relationship with them.

**6. Career orientation:** In a bureaucracy, it is possible to build a career on the basis of experience and expertise. As a result, it offers lifetime employment. The right division of labour within a bureaucratic organisation also allows employees to specialise themselves further, so that they may become experts in their own field and significantly improve their performance.

# Levels & Functions





**Top Level Managers** are a small group of policy makers/executives, responsible for the overall management of the organization. Company Presidents, Executives, Vice Presidents

**Middle Level Managers** are those who direct the activities of the First Level Managers and at times of the operating employees also. Sales Manager, Personnel Managers, Other Departmental Heads

**First Level Managers** are those who are in direct contact with the employees producing the goods and services for an organizations. They are also known as supervisors, responsible for directing the employees. Supervisors, Foreman

### Top Level Managers



### Middle Level Managers



### First Level Managers



### Employees



## Technical

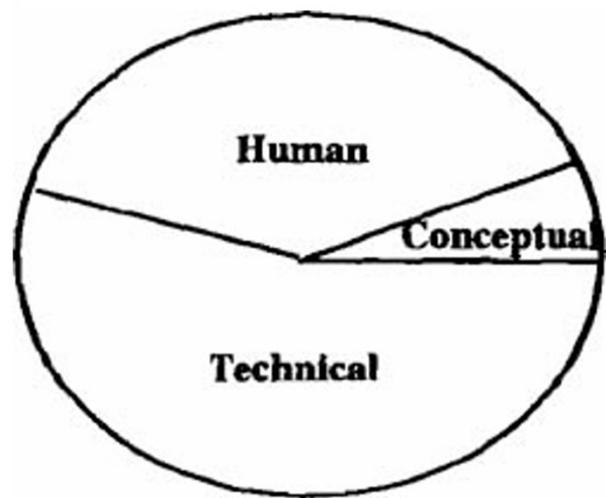
The ability of using specialized knowledge, expertise and techniques in a particular area.

## Human

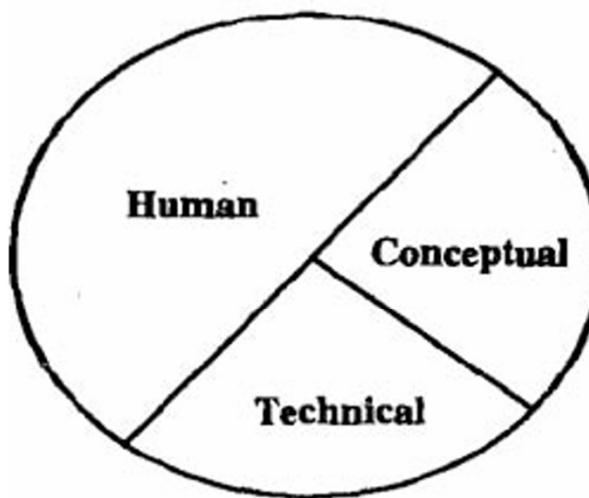
Capability of a manager to build cooperation within the team as a leader.

## conceptual

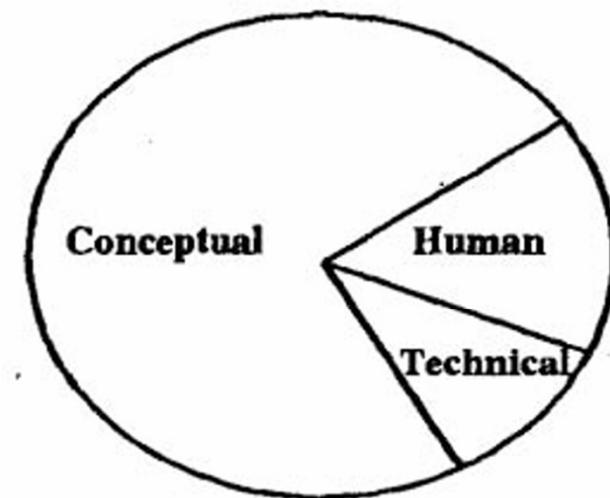
Ability to look at the organization as a whole. This also includes recognizing the inter-dependence of various organizational functions.



Front Level



Middle Level



Top Level

# **Strengths and Weaknesses**



# Significance of Management

- Goal Oriented Process
- Group Cohesion and Team Building
- Dynamic and Continuous Process
- Universal Application
- Optimum utilisation of resources
- Reduces cost
- Essential prosperity of society



# Schools of Management



# Scientific Management Theory



Frederick Taylor

... management approach that focuses on optimizing work processes by applying scientific methods to identify the most efficient way to perform tasks and allocate resources.

It emphasizes the use of data and systematic analysis to improve productivity.

# Scientific Management Theory

Frederick Taylor

He encouraged employers to pay more productive workers at a higher rate than others, using a “scientifically correct” rate (differential rate system).

Gantt originated a charting system for production scheduling.

Each worker’s progress was rated publicly and recorded on individual bar charts, -- in black on the days the worker made the standard, in red when they fell below it.

## CONTRIBUTIONS

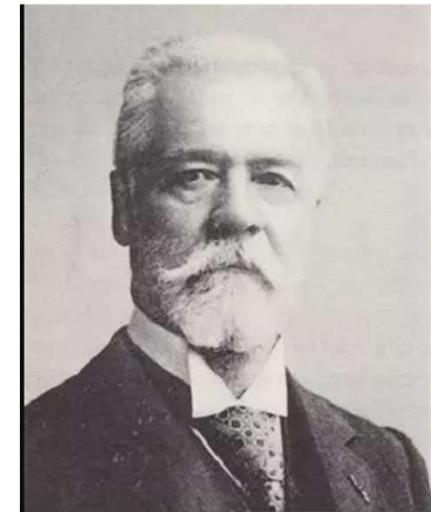
- The modern assembly line gives more finished products.
- Its efficiency techniques have been applied to many tasks in non-industrial organizations, ranging from fast-food service to training of surgeons.

## LIMITATIONS

- Critics objected to the “speed up” condition that placed undue pressures on employees to perform faster.
- The emphasis on productivity and profitability led some managers to exploit both works and customers. This condition created mistrust/ suspicious relationship between labour and management.

# Classical Organization Theory

Fayol divided business operations into small parts/departments.



Henri Fayol



# Fayol's Functions of Management



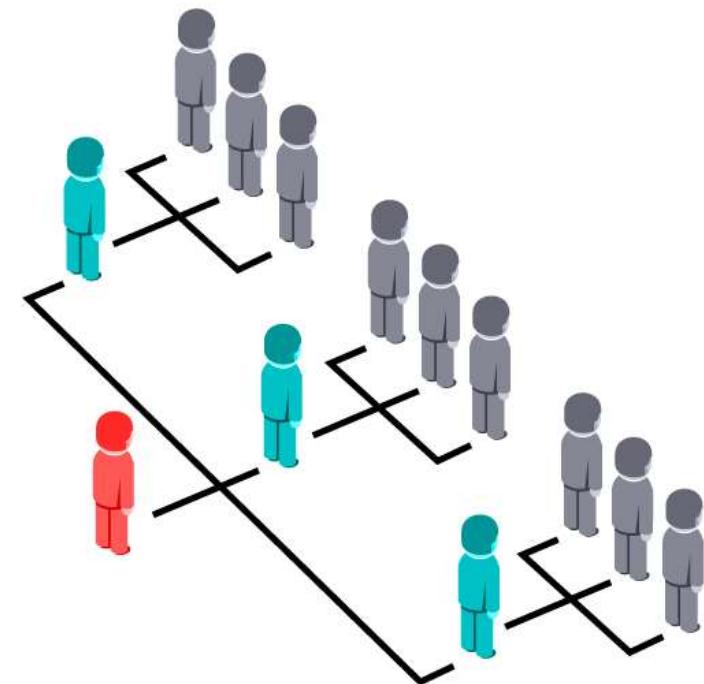
Planning  
organizing  
coordinating  
controlling



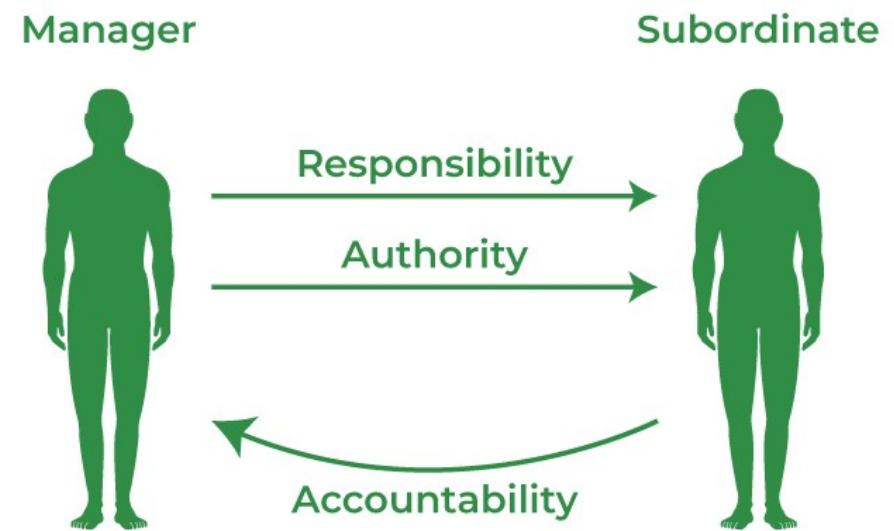
# Fayol's 14 Principles of Management

Division of Work	Centralization
Authority and Responsibility	Scalar Chain
Discipline	Order
Unity of Command	Equity
Unity of Direction	Stability
Remuneration	Initiative
Subordination of Individual Interest	Espirit de Corps

# Division of Work



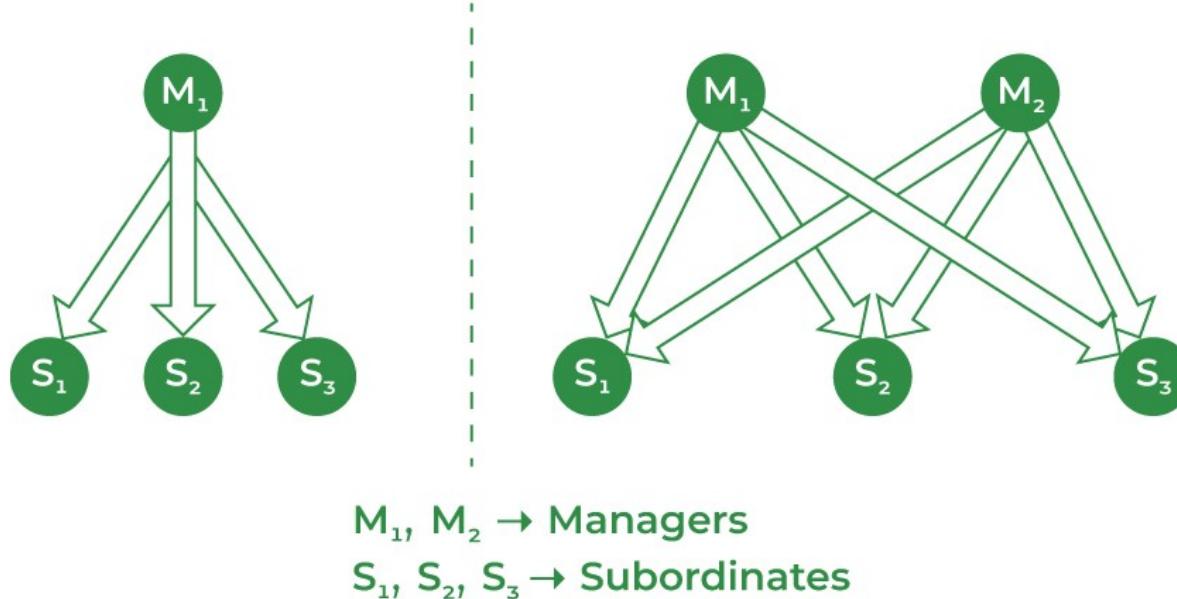
# Authority and Responsibility





# DISCIPLINE

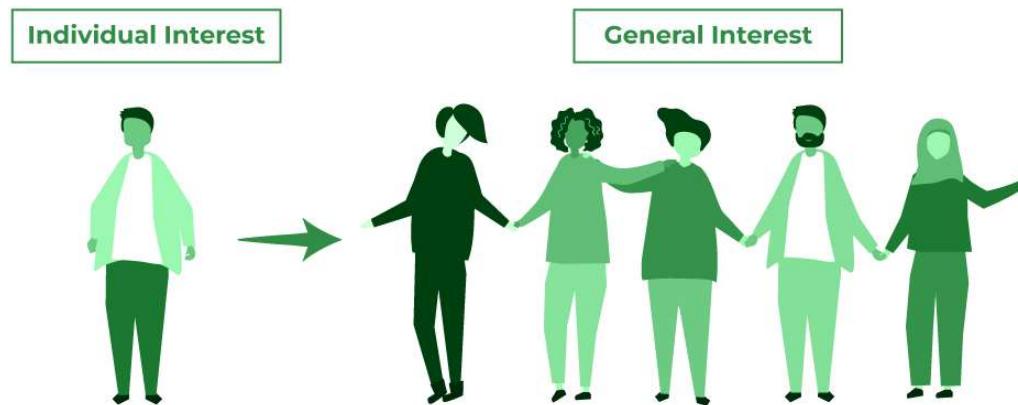
# Unity of Command



# Unity of Direction



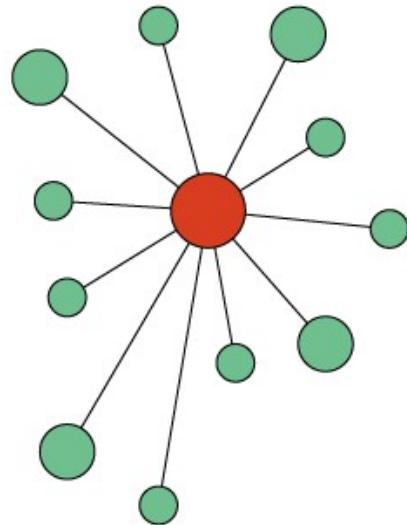
# Subordination of Individual Interest



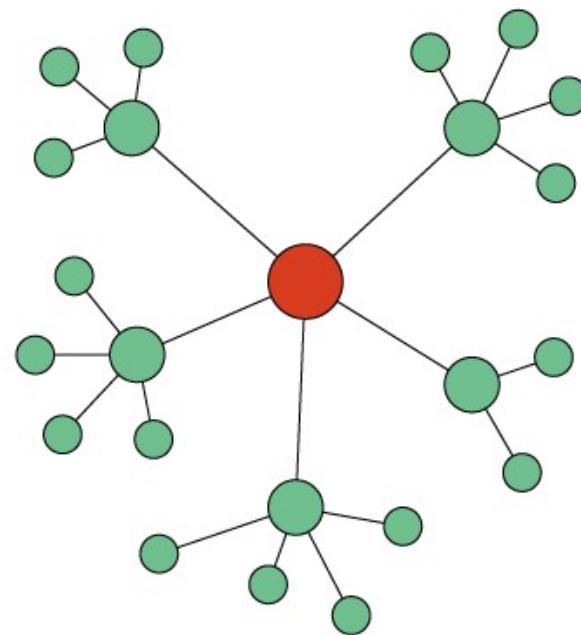
# Remuneration



Centralization



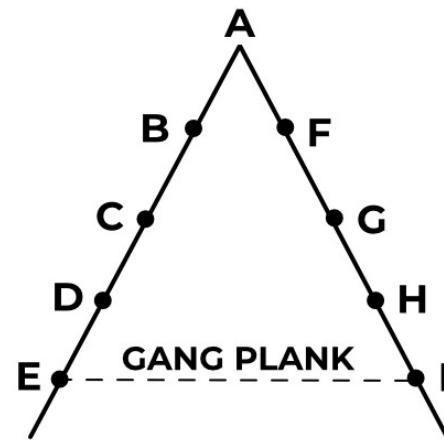
Decentralization



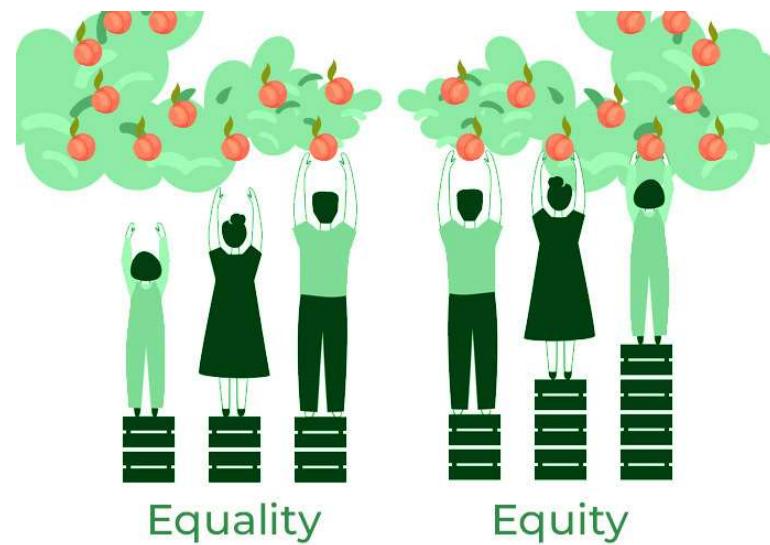
# Scalar Chain

There is a scalar chain of authority and communication that moves in a straight line from the superior to the lowest subordinate.

Henri Fayol permitted a shortcut of chain in case of urgency known as *gang plank*. Gang plank allows direct communication between two employees of the same level.



# Equity



# Stability of Personnel



# Initiative



# Espirit De Corps

We over ‘I’



## CONTRIBUTIONS

Before Fayol, it was generally believed that “managers are born, not made.”

Fayol however, said that management was a skill like any other – one that could be taught once its underlying principles were understood.

It identified key management processes, functions and skills.

## **LIMITATIONS**

The theory treats employees as elements rather than resources.

The procedure governed by this theory may not be applicable in certain situations.

The background features several orange hand-drawn style lines and shapes. On the left, there's a large, irregular loop. In the upper right, there are three elongated, slightly curved ovals stacked vertically. A solid orange vertical bar is located on the far right edge.

[https://youtu.be/  
hNK8FCFpmm4](https://youtu.be/hNK8FCFpmm4)

# **Behavioral Management Theory**

...puts emphasis on individual's behavior, and group processes.

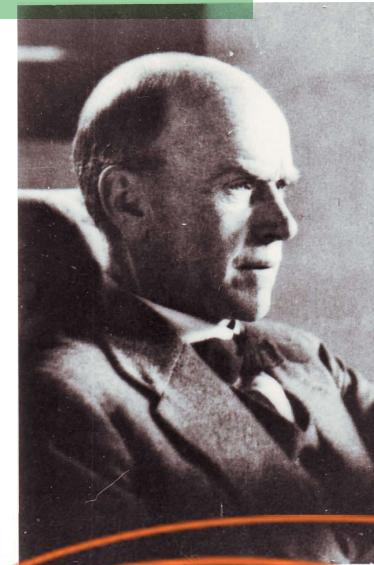
This approach can be studied into two phases –

- a. Human Relation Movement
- b. Behavioral Science Approach



# **Human Relation Movement – Hawthorne Experiments**

- Conducted from 1924 to 1933 at the Hawthorne Plant of the Western Electric in Chicago.
- HS are significant because they demonstrate the important influence of human factors on worker productivity.



Elton Mayo

# Human Relation Movement

1. The illumination experiments
2. The relay assembly group experiments (12 women)
3. The bank wiring studies (14 men)
4. The mass interviewing

# Contributions of Human Relation Movement

- Emphasized that employee doesn't always work for money. Non-financial rewards also significantly affects the behavior of the employee.
- There is no correlation between improved working conditions and high production.
- The informal group and not the individual is the dominant unit of analysis in organizations.

# **Limitation of the Human Relations Movement**

This approach gives more importance to informal groups by describing them as a major sources of satisfaction for individual workers.

This approach is based on the assumption that satisfied workers are more productive workers.

# Behavioral Science Approach

... recognizes the practical and situational constraints on human rationality for making optimal decisions.

To behavioral scientists, the realistic model of human motivation is complex. It suggests that different people react differently to same situation or react same way to different situations.

Douglas McGregor, Abraham Maslow, Kurt Lewin, Chester Barnard, Mary Follett etc.

# Contribution of Behavioral Management Theory

It provides insights into motivation, leadership, group dynamics and other interpersonal processes in organizations.

This theory challenged the view that employees are tools instead employees are valuable resources.

Emphasizes the importance of managerial attention on employee related process.

# Limitations of Behavioral Management Theory

The findings of behavioral science often could not be communicated to the practicing manager in an understandable manner.

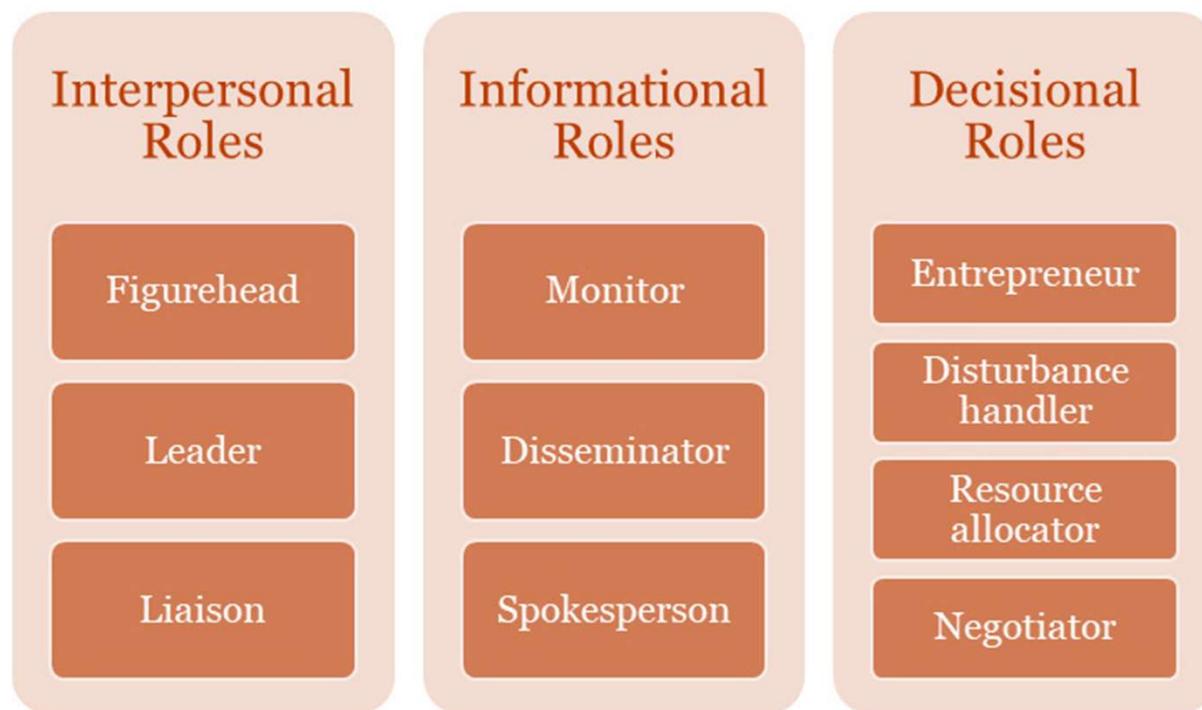
Many behavioral concept couldn't be applied in organizational processes because of manager reluctance.

## Task1 Ethical dilemma: what would you do?

Our first HR discipline is to know and obey the laws, and the last discipline is ethics and sustainability. A long-debated issue is: (a) should a company focus on making a profit and doing so within the law, or (b) should a company go beyond the law to be ethical and socially responsible? Some experts state that (c) by being ethical and socially responsible the firm will be more profitable, whereas (d) others say that one shouldn't consider profits—a company should be ethical and socially responsible simply because it is the right thing to do. Apple's cofounder Steve Jobs primarily believed in focusing on profits, whereas current CEO Tim Cook has changed policies to be more socially responsible by giving more resources to nonprofit organizations.

1. Do you agree with (a) focusing on profits, or (b) going beyond to be ethical and socially responsible?
2. Do you agree with (c) being ethical and socially responsible if it is profitable, or (d) that a company should be ethical simply because it is the right thing to do?

# Functions of a Manager



Henry  
Mintzberg

# Managerial Roles in Modern Organizations

Balancing Multiple Roles	Managing Resources
Managing people: Diverse Workforce, Conflict Resolution, Motivation	Stakeholder Management
Decision-Making Under Uncertainty	Navigating Organizational Politics
Adapting to Technological Changes	Leading Change
Handling Market Volatility	Ethical and Social Responsibility
Regulatory and Compliance Challenges	Managing Global Operations
Balancing Short-Term and Long-Term Goals	Innovation and Competition



# **Assignment: Identify best places to Work 2025**