

Agenda

- Day 1
 - Introduction to Management Theories
- Day 2
 - Human Side of Organizations
- Day 3
 - Environment Side of Organizations

Managing Organizations!?

- Financial Management
- Accounting
- Operations Management
- Management Information Systems
- International Management
- Marketing
- **Management**
 - Human Side of Organizations
 - Environment Side of Organizations

Topics in Management

- Human Side of Organization
 - Organizational Behavior
 - Human Resource Management
 - Industrial Relations
- Environment Side of Organization
 - Strategy
 - Organization Theory

Theories of Management

- Universal Management Process (Henri Fayol, 1919): 14 Universal principles that managers should implement
- Operational Approach (Fred Taylor, 1911): Conducting a business by standards (Principles of Scientific Management)
- Behavioral Approach: People are the central focus of organized activity
 - Hawthorne studies: Elton Mayo (1932)
 - Human Side of Enterprise (book by Douglas McGregor, 1960): Theory X vs. Theory Y based on different assumptions about people
- Systems Approach: Synthetic thinking based on collective phenomena
 - Chester Barnard (The Functions of the Executive, 1938): Willingness to Serve, common purpose & communication are the principal elements of an organization
- Contingency Approach: Effectiveness of managerial practices and techniques depend on situations

14 Universal principles by Fayol

- 1. Division of work
- 2. Authority (should accompany responsibility)
- 3. Discipline
- 4. Unity of command
- 5. Unity of direction (efforts should be coordinated)
- 6. Subordination of individual interests to the general interest
- 7. Remuneration
- 8. Centralization (power balance depending on the context)
- 9. Scalar chain (formal chain of command)
- 10. Order (proper places – both materials and human resources)
- 11. Equity
- 12. Stability and tenure of personnel
- 13. Initiative
- 14. Esprit de corps (Harmonious efforts)

Perspectives on Human Beings

- Human Beings as Machinery Parts
 - Taylorism
- Human Beings with Emotion and Thinking Capability
 - Hawthorne study
- Human Beings as Intellectual Capital
 - Human Capital

Objectives of Management

