Definition of management theory pdf

Management theory, developed over the past century, describes how companies plan, organize, staff, lead and control their employees. Effective managers ensure that people achieve goals and use materials wisely to achieve profitability and maintain a competitive advantage. Advances in technology have enabled standardization, automation and globalization at a pace that early management thesis would probably never have thought possible. Complex information technology solutions, including hardware and software, enable companies to create, store, and retrieve data from locations around the world. In large and small businesses, all departments, including marketing, sales, finance, and manufacturing, now typically depend on the company's IT infrastructure to manage the activities and features needed to complete business processes. In the early 1900s, Frederick Taylor, an American mechanical engineer, described how the scientific method could be applied to worker management. By simplifying and optimizing the way tasks were performed, managers were able to drive employees to perform tasks in one consistent way. By improving industrial efficiency and reducing human error, managers improve productivity and increase profits. With the introduction of technology, such as computer hardware and software, tasks previously performed by humans are now performed by specialized machines, reducing monotony, safety issues, and variation. Also in the early 1900s, Henri Fayol, a French mining engineer, developed a set of 14 principles that described how to manage a business. He theorized that there were six functions of management: predicting, planning, organizing, commanding, coordinating and monitoring. The impact of technology on his management theories extends to every department in most companies, as computer hardware and software applications have replaced paper-based systems of organizing and directing the work. Management's disaster theory states that there is not one best to manage. Leadership style that proves effective in one situation can be inappropriate in other situations. Success often depends on a variety of situational factors, including the capabilities of the manager's subordinates and the information available to the manager to make an informed decision. With the use of mobile computing, mobile phones and other technology that is always available, managers have more information at their disposal than ever before. In fact, too much information can make it difficult to make a decision. Managers should share the news, data and other content they receive in print, audio and video formats to function effectively. With the help of a system approach to management, managers can see their business as a complex system consisting of interdependent departments. By aligning employees' performance goals with strategic goals, all personnel work to solve the same problems. Technology enables all parts of an organization to communicate easily. Using telecommunications, e-mail, social social tools like wikis, blogs and forums, managers and employees work together around the world to solve business problems. Enterprise software and hardware systems link departments so that the entire entity functions as a cohesive whole. Managing a business is not easy. Depending on the type of business you run and the specific needs, there are numerous strategies for managing employees, growth and productivity. Partly because the business can be so overwhelming, a series of theories about business management has developed over time. Learning about and following these schools of thought can help you to run your business. The Theory of Business is a Harvard business review classic work by business theorist Peter Drucker. Published by Drucker in 1994, this piece runs on the idea that companies in modern times suffer from a lack of direction when it comes to what to do. Drucker argues that in many cases the right things have historically been done by the company, but that the assumptions that once led the company to success are no longer valid in the current market for a variety of reasons. These assumptions, which relate to the potential customers, personnel needs and strengths of the company, are what Drucker calls his theory of business. In this way, he explains, business theories are actually specific to a company, rather than an overarching notion that can be universally applied. Each company must determine what its own theory has been and adjust going forward to find maximum success. Management theories are widespread, but one thing is fairly widely accepted: Management can be divided into four basic principles, all gears in one wheel. Each must be properly implemented to reach a well-managed staff. These four principles are planning, leading, organizing and controlling. Often, employees don't actually see any of the planning or organization working behind the closed door of their manager's office. However, effective managers need to engage in these activities. Planning is essential because it creates a detailed approach to achieving one or more of the organization's goals. Without this, the employees work without much direction. Organizing requires managers to determine how to allocate the resources made available to them, and then how to entrust their employees with different projects. Lead and control are much easier to identify when you are considering your manager's behavior. Leiden means that you come into contact with employees on a personal level and decide what inspires them. From there, a good manager can stimulate success and career-oriented growth of their employees. Checking is, of course, a necessary aspect of the role of any Managers are tasked with overseeing part of their business, so it is necessary that they ensure that all guidelines are met and that no one acts in violation of the organization's objectives. Sometimes the principle of control can lead to disciplinary disciplinary if a member of staff does not act properly. There are a number of well-known theories in management, including Max Weber's Bureaucratic Theory, which he described in 1905. Weber's theory is based on strict rules, clear function differences and hierarchy of authority. He advocated hiring based solely on finding the most skilled person, regardless of that person's personality or how well he might fit in with the rest of the employees. In any case, employees were not allowed to chat under Weber's theory, because work was a place to perform tasks, not make friends. He would have disdained many of today's practices, such as collaboration, flexibility and thinking out of the box. For Weber, working in the clearly defined box was ideal, while managers took notes on behavior that needed to be reprimanded. Douglas McGregor's X Y Theory is almost the opposite of Weber's Bureaucratic theory. In 1960, McGregor defined Theory X as the idea that workers were just cogs in a wheel that needed to be bullied and punished to do their job accurately (which sounds like he was referring to Weber's theory). McGregor's Y Theory said it was normal for people to want to work and be proud of what they achieved. Those who felt involved at work enjoyed their work, felt fulfilled by it and would become self-starters who made creative decisions. McGregor's XY Theory is still widely used today. Since management is less of a science than an art, it's usually effective to combine multiple theories until you identify the formula that's most productive for your business and your specific team. An individualized strategy tends to yield the best results. Small business owners and managers can benefit from learning about the theorists whose work has led to many of the leadership approaches and the best (and worst) practices used to guide and grow organizations of all sizes. By placing these approaches within a larger historical context, business leaders can determine which theories best fit their organization and select components from each philosophy to create a toolkit of effective management strategies that work for them and their employees. Here's a quick rundown of five theorists you need to know and their groundbreaking work. Frederick Taylor's Scientific ManagementFrederick W. Taylor (1856-1915) was one of the first to study employee productivity and how best to optimize it. Taylor, who had a background in mechanical engineering, conducted controlled experiments that led him to develop four principles of scientific management known as Taylorism. These principles recommend that the scientific method be to determine the most efficient way to perform a task in the workplace rather than simply relying on the judgment or personal discretion of employees. Taylor promoted standardization and specialization by suggesting that workplace tasks be broken down into a series of smaller steps. He concluded that managers a job that best suited their ability, training and guiding them thoroughly to ensure they worked efficiently. However, Taylor's focus on achieving efficiency in the workplace ignored the humanity of the individual in favor of finding the optimal way to complete a particular task. Taylor's theory in its purest form is not practiced much today; However, it has shed light on the efficiency of the workplace, the value of training procedures and the need for cooperation between employees and managers. Henri Fayol's Principles of Administrative ManagementHenri Fayol (1841-1925), a mining engineer and senior executive in France, is considered one of the most influential employees of modern management theory. Unlike Taylor, who improved productivity by analyzing employee actions, Fayol took a top-down approach. Fayol investigated an organization through the lens of the managers and the situations they might encounter. He believed that management has six key functions: predicting, planning, organizing, commanding, coordinating and monitoring. Fayol developed 14 principles of administration that specify how managers should organize and communicate with employees. His comprehensive principles, which have become fundamental guidelines in many of today's workplaces, cover topics ranging from the importance of maintaining an orderly and clean facility to the value of promoting the initiative of employees and teamwork. Max Weber's Bureaucratic ManagementMax Weber (1864-1920) was a German sociologist who developed bureaucratic management theory, which focuses on structuring organizations in a hierarchical way with clear governance rules. Weber's principles for creating an ideal bureaucratic system include a clear division of labor, a hierarchical chain of command, separation between the personal and organizational assets of the owner, meticulous administration and documentation, strict and consistent regulations and rules, and the selection and promotion of employees based on qualifications and not personal relationships or personalities. Although Weber acknowledged that bureaucracy posed a threat to individual freedoms, he still saw it as the most efficient and rational way to set up organizations. Today, the approach to bureaucracy management is often seen as impersonal and overwhelmed by bureaucracy, but it played an important role in universalising the setting of standards and procedures, which are at the heart of most modern organisations. Elton Mayo's Human Relations theory Elton Mayo (1880-1949) was an Australian psychologist and Harvard researcher who helped lay the groundwork for the human relations movement. Mayo carried out experiments on improving productivity among disgruntled workers at the Hawthorne plant in Chicago in the 1920s. He changed working conditions, including lighting, temperature, break times and the length of the workday, but noted that regardless of the change, there was always an increase in productivity. This led to Mayo and his team that the increase in employee performance was not due to changes in their environment, but a result of the researchers paying attention to them and feeling valued as part of a unified group that participated in the study. Mayo's work led to recognition of the importance of psychological and social factors in creating productive organizations. This gave rise to the Human Relations Theory, which concluded that employees are more motivated by factors, such as being part of a group and personal attention, than money or even working conditions. This human-centered management approach requires managers to recognize the complexity of human nature and the value of social ties in the workplace. While the validity of the Hawthorne experiments has been called into question in recent years, Mayo's contributions to management theory are underpinning today's focus on group dynamics and the use of team-building efforts to strengthen work cultures. Douglas McGregor's Theories X and YDouglas McGregor (1906-1964) were an American social psychologist who introduced his X and Y theories in his 1960 book The Human Side of Enterprise. He concluded that there are two fundamentally different management styles that are guided by managers' perceptions of the motivations of their team members. Theory X is authoritarian in nature and is used by managers who assume that employees are apathetic or dislike their work. Theory Y is a participatory management style used by managers who believe that employees are self-motivated, responsible and committed to taking ownership of their work. While Theory X leads to micromanagement, Theory Y gives rise to a more collaborative and decentralized workplace. Theory Y, a mcgregor favorite, tends to be taken over by smaller companies and startups where employees at all levels are part of the decision-making process and where creativity is encouraged. Large organizations or organizations with many employees can rely more on Theory X to keep everyone focused on achieving organizational goals. Goals.