

- ❖ MGMT can be traced back to ancient roots
 - Viziers ancient managers who used the managerial functions of planning, organizing, leading, and controlling
- ❖ Pillars of Modern MGMT (pg. 28-33)
 - all looking for the “one best way”
 - Scientific MGMT pg. 28
 - Frederick Taylor
 - empirical observation
 - scientific method
 - efficient task performance
 - artisan to employee
 - industrialization
 - **Micro Approach**
 - looked at the worker as a piece of equipment
 - **TWO ideas: efficiency and standardization**
 - specialization: each person should become a specialist and master of specific tasks
 - Cooperation: combine MGMT and labor interests
 - Motivation: equitable compensation
 - Bureaucratic Model pg. 32
 - Max Weber
 - **Macro Approach**
 - **How an organization should be organized**
 - division of labor
 - authority and structure
 - depersonalization and formal hierarchy
 - several benefits of the bureaucratic form:
 - Efficiency
 - predictability
 - calculability
 - control
 - power is forced compliance and authority is voluntary compliance expected of a subordinate
 - Administrative MGMT Theory pg. 31
 - **Tips and tools for how to be a manager**
 - Henri Fayol’s 6 categories of an organization’s activities
 - technical
 - commercial
 - financial
 - security
 - accounting
 - managerial
 - **14 Operating principles** (4 most important)
 - unity of command: 1 boss

- exception principle: only call boss for exceptions to the norm
- span of control: # of employees reporting to manager
- Scalar chain: work from the bottom to the top
- **Functions of MGMT**
 - Planning
 - Organizing
 - Commanding
 - Controlling
- **Moderating Influences**
 - behavioral sciences
 - independent or collective
 - motivation and morale
 - job satisfaction
 - quality of work life
 - quantitative sciences
 - computers, machines
 - quantitative business analysis
- ❖ **Behavioral Management (pg. 33)**
 - Elton Mayod
 - **human relations approach**
 - individuals working in group settings and in which managers and workers are studied in relation to what occurs in the group
 - Hawthorne Studies
 - Famous studies conducted which tried to prove a relationship between efficiency and lighting but showed that workers perform better when in the presence of scientists
 - ◆ Known as the Hawthorne Effect
 - Workers are motivated by more than economic factors
 - **behavioral science approach (pg 35)**
 - a theory that views workers as more complex than the economic man described in the classical approach or the social man described in the human relations approach
 - Hugo Munsterberg
 - Mary Parker Follett
 - MGMT is an applied behavioral science
- ❖ **Decision Sciences pg. 36**
 - Modern MGMT theories decision making, information systems, math, and statistics to aid in making choices.
 - Herbert Simon's **3 stages of decision making**
 - Finding occasions requiring a decision (intelligence)
 - Inventing, designing, possible courses of action (design)
 - selecting a course of action (choice)
 - limits to decision making
 - economically rational

- bounded rationality
 - “satisfice” rather than optimize
- James March
- ❖ Contributions and Limitations of the Decision Sciences (pg. 37) **Types of MGMT**
 - production MGMT: a sphere of MGMT science that focuses on manufacturing technology and the flow of material in manufacturing
 - operations MGMT: a sphere of MGMT science that includes the areas of purchasing, materials MGMT, production, inventory, and quality control, maintenance, and plant MGMT.
 - Information system: a computerized system that helps managers make better decisions by permitting them to gather and accurately process large volumes of data.
- ❖ **Systems Approach** (pg. 38)
 - A system is generally defined as an organized unitary whole, comprised of two or more interdependent parts, components, or subsystems, and delineated by identifiable boundaries from its environmental subsystem
 - **concrete subsystems**
 - things you can see
 - **abstract subsystems**
 - things you can't see
 - ◆ **technical**
 - converts inputs to outputs
 - refers to knowledge, techniques, equipment and facilities required to perform tasks
 - ◆ **structural**
 - hierarchy
 - concerned with the ways in which the tasks of the organization are divided (differentiation) and with task coordination (integration)
 - ◆ **managerial**
 - has its own subsystem
 - establishes goals
 - plans
 - organizes
 - controls
 - relates the organization to its environment
 - ◆ **psychosocial**
 - the vibe
 - consists of individual Behavior and motivations, status and role, group dynamics, influence
 - ◆ **goals and values**
 - consider the modern organization as “a system of consciously coordinated activities or forces of two or more parties”
 - general environment
 - the overall environment containing the elements that affect all organizations