

## Chapter 2: Management Learning

1. Introduction: Management Live
  - a. **Learning style:** set of ways through which we like to learn by receiving, processing, and recalling new information
2. 2.1: What Are the Lessons of the Classical Management Approaches?
  - a. Classical approaches (people are rational) :
    - i. Scientific Management: Frederick Taylor
    - ii. Administrative Principles: Henri Fayol
    - iii. Bureaucratic Organization: Max Weber
  - b. Taylor's scientific management sought efficiency in job performance
    - i. Believed in securing maximum prosperity for the employer, coupled with the maximum property for the employee
    - ii. Lack of clear and uniform methods caused workers to lose efficiency and perform below their true capacities
    - iii. **Scientific Management:** emphasizes careful selection and training of workers and supervisory support
      1. Develop a "science" for each job - rules of motion, standard work tools, and proper work conditions
      2. Hire workers with the right abilities for the job
      3. Train and motivate workers to do their jobs according to the science
      4. Support workers by planning and assisting their work according to the science
    - iv. **Motion study:** the science of reducing a job or task to its basic physical motions
      1. Frank and Lillian Gilbreth: pioneered use of motion studies in management
    - v. Taylor analyzed tasks and motions to describe the most efficient ways to perform them → linked these requirements with job training, monetary incentives for performance success, and better direction and assistance from supervisors
    - vi. Example: UPS
  - c. Weber's bureaucratic organization is supposed to be efficient and fair
    - i. Concerned that people were in positions of authority not because of their job-related capabilities but because of their social standings
    - ii. **Bureaucracy:** a rational and efficient form of organization founded on logic, order, and legitimate authority; rational and ideal
    - iii. **Characteristics of an Ideal Bureaucracy:**
      1. *Clear Division of Labor:* jobs are well defined, and workers become highly skilled at performing them
      2. *Clear Hierarchy of Authority:* authority and responsibility are well defined, and each position reports to a higher-level one

3. *Formal Rules and Procedures*: written guidelines describe expected behavior and decisions in jobs; written files are kept for the historical record
  4. *Impersonality*: rules and procedures are impartially and uniformly applied; no one gets preferential treatment
  5. *Careers Based on Merit*: workers are selected and promoted on ability and performance; managers are career employees of the organization
  - iv. Bureaucracy relies on logic, order, and legitimate authority
  - v. Disadvantages of bureaucracy limit performance and cause problems for organizations that must be flexible and quick in adapting to changing times
  - vi. "Contingency thinking:" deciding when bureaucracies should be implemented
  - d. Fayol's administrative principles describe managerial duties and practices
    - i. *Published Administration Industrielle et Generale*
    - ii. Five "rules" of management:
      1. *Foresight*: complete a plan of action for the future
      2. *Organization*: provide and mobilize resources to implement plan
      3. *Command*: lead, select, and evaluate workers
      4. *Coordination*: fit diverse efforts together, ensure information is shared and problems are solved
      5. *Control*: make sure things happen according to plan, take necessary corrective action
    - iii. **Scalar chain principle**: there should be a clear and unbroken line of communication from the top to the bottom in the organization
    - iv. **Unity of command principle**: each person in an organization should receive orders from only one boss
3. 2.2: What Are the Contributions of the Behavioral Management Approaches?
- a. Underlying assumptions that people are social and self-actualizing, and that workers seek satisfying social relationships, respond to group pressures, and search for personal fulfillment
  - b. Human Resource Approaches: people are social and self-actualizing
    - i. Organization as communities: Mary Parker Follett
    - ii. Hawthorne studies: Elton Mayo
    - iii. Theory of human needs: Abraham Maslow
    - iv. Theory X and Theory Y: Douglas McGregor
    - v. Personality and organization: Chris Argyrus
  - c. Follet viewed organizations as communities of cooperative actions
    - i. Mary Park Follet = "prophet" of management
    - ii. Advocated social responsibility, respect for workers, and better cooperation throughout organizations
    - iii. Warned against dangers of too much hierarchy
    - iv. Making every employee an owner in the business would create feelings of collective responsibility

- v. Businesses are organizations that should always consider making profits for the public good
  - vi. Every manager should be an inspiring leader, ethical role model, and active doer
- d. The Hawthorne studies focused attention on the human side of organizations
- i. 1924: Western Electric Company commissioned a study on individual productivity at Hawthorne Works
  - ii. Isolated six relay-assembly workers → measures effect on outputs of various rest pauses
  - iii. Found no direct relationship between physical working conditions and performance
  - iv. **Hawthorne effect:** the tendency of persons singled out for special attention to perform as expected
  - v. People would restrict their output in order to avoid the displeasure of the group
  - vi. Groups can have strong negatives and positive influences on the behaviors of their members
  - vii. This study helped shift attention of managers and researchers away from technical and structural concerns toward social and human concerns
- e. Maslow described a hierarchy of human needs with self-actualization at the top
- i. **Need:** a physiological or psychological deficiency that a person feels compelled to satisfy
  - ii. Needs create tensions that influence a person's work attitudes
  - iii. Five Levels of Human Needs (try to achieve from lowest to highest):
    1. *Self-actualization needs:* highest level need for self-fulfillment; to grow and use abilities to the fullest and most creative extent; higher-order needs
    2. *Esteem needs:* need for esteem in eyes of others; need for respect, prestige, recognition, and self-esteem, personal sense of competence, mastery; higher-order needs
    3. *Social needs:* need for love, affection, sense of belongingness in one's relationships with other people; lower-order needs
    4. *Safety needs:* need for security, protection, and stability in the events of day-to-day life; lower-order needs
    5. *Physiological needs:* most basic of all human needs; need for biological maintenance; food, water, and physical well-being
  - iv. **Progression Principle:** a need only becomes activated after the next-lower-level need is satisfied
  - v. **Deficit principle:** people act to satisfy deprived needs for which a satisfaction "deficit" exists
    1. Both these principles do not operate at highest level
- f. McGregor believed managerial assumption create self-fulfilling prophecies
- i. Managers should pay more attention to social and self-actualization needs of people at work