MANAGING PEOPLE AND ORGANSIATIONS
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Introduction

➢ Key Terms
  1. <u>Management</u> – refers to the process of communicating, coordinating, and accomplishing action in the pursuit of an organisations objectives while managing relationships with stakeholders, technologies, and other artefacts
  2. <u>Organisations</u> – refers to systematically arranged frameworks relating people, things, knowledge and technologies in a design intended to achieve specific goals
  3. <u>Bureaucracy</u> - A system of administration distinguished by its clear hierarchy of authority, rigid division of labor, written and inflexible rules, regulations, and procedures, and impersonal relationship. Bureaucratic management is a theory set forth by Max Weber, a German sociologist and political economist whose theory contained two essential elements, including structuring an organisation into a hierarchy and having clearly defined rules to help govern an organisation and its members. Bureaucratic management can be thought of as a formal system within an organisation that is distinctly based on precisely defined hierarchical roles and levels to help maintain efficiency and effectiveness
  4. <u>Post Bureaucracy -</u> employs a horizontal structure with decentralised power which enables employee empowerment
  5. <u>Management 1.0 -</u> characterised by hierarchical command-control management structures in which decisions are made at the top and flow down the hierarchy to the workers who implement them. Roles are tightly defined as are organisation structures and responsibilities
  6. <u>Management 2.0 -</u> new generation of collaborative working styles aided and other team-based approaches to work. They emphasise results over process, and generally bring a less structured and formal approach to getting things done more effectively and efficiently.Collaborative projects are the norm as is sharing of information and a culture of continuous improvement. Communication flows tend to be lateral and organisations are relatively flat. Decision making is pushed out to the "edges," where the action takes place, especially with customers. workers are tech savvy.

Foundations of Management and Organisations

Bureaucratic	Post Bureaucratic
• Responsibilities are assigned based on hierarchy • People are treated impersonally • All members are structured into a hierarchy where there are clearly defined by rules	• Responsibilities are assigned based on merit • People are treated as individuals • Boundaries of the organization are more opened, where rules are replaced with agreements

Historical Background of Management
  • Examples of early management practice:
  • Egyptian Pyramids and Great Wall of China, projects of tremendous scope, employing tens of thousands of people
  • Organisation of the army and government
  • Religious organisations
  • East India Company 17th and 19th Century
  • Slavery: Southern US Plantations: Simple systems and rules, strict surveillance, harsh punishment

➢ Pre Industrial Society:
  No Manager
  • Small workshops , direct control by owner
  • Discipline apprentices through control of resources control and knowledge
  • Owner fully liable if enterprise fails
  • Direct control by owner

➢ Industrial Revolution
  • machine power was substituted for human power

New Technology	Machines, Steam Engines
Key Industries	Metallurgy, Railways, Gas Lighting, Glass Making, Paper Machines

Scientific Management
  • Rise of factory system of production
    – Growth in number of employees
    – Increased use of Technology
    – Rise of corporations meaning owners didn't work in the organisation

- Key Features/Development
  - Specialisation of labour and the production line
  - Systematic study of work tasks to create rules or one best way of performing each task
  - Focus on both job design and organisational structures and administration

➢ Frederick W. Taylor (1856-1915) - Scientific Management
- Taylorism: father of scientific management
- Published principles of scientific management: described the throw of scientific management
- Set out to correct the situation by applying scientific method to floor jobs
- 4 principles of scientific management:
  - Develop a science for each element of the job, which replaces the old rule of thumb method
  - Managers should scientifically select and then train, teach and develop workers (select the right person for the job)
  - Managers should cooperate with the workers to ensure all work is being done in accordance with principles of the science developed
  - Equal division of the work and the responsibility should be between the management and the workers
- concerned with only first line managers (down the bottom)
- Time and motion studies: Specialisation and routinisation of work
- Collaboration: Manager; planning, designing, supervising. Worker; executing manual labour
- Pay based upon outputs

Human Management
➢ Mayo (1880-1949) - Human Relations Movement
- Managers as therapist or social clinician
  - Pay attention to group needs and human relationships
  - Workplace viewed as a social system: work as a group activity
  - informal groups have influence
  - social cohesion generates positive organisational benefits
  - therapeutic interview: Active listening
- *Hawthorn Effect:* "When a group realises that it is valued and forms social relations among its members, productivity rises as a result of the group formation" (Clegg et al 2016, p. 461-462)

➢ Henry Ford (1863-1947) - Fordism
- Production line - took the idea of the production line from abattoirs where carcasses were moved through the factory on chains and pullers systems: and intended it into his car manufacturing plants
- "Any customers have a car painted any colour that he wants so long as it is black"
- Describes organisations as rational-legal bureaucracy
- Right of appeal, depersonalisation and demystification
- took the idea of the production line from abattoirs where carcasses were moved through the factory on chains and pullery systems- and introduced it into his car manufacturing plants
- The assembly line: 1913 —> Standardisation, Constant production rate
- Introduced "living wages" - $5, 8 hour day for all workers irrespective of pieces produced - 1914
  - Reduced turnover
  - Reduced absenteeism
  - Ensured workers could be consumers
- Only for the morally worthy as determined by Sociology Department investigators:
  - Clean
  - Sober
  - Industrious
  - Thrifty
  - Not union members

General Administrative Theory
- Focuses on what managers do and what constituted good management practice

➢ Max Webber (1864-1920) - Bureaucracy
- German sociologist
- Bureaucracy- organisation formed by division of labour, a hierarchy, rules and regulation and impersonal relationships
- Bureaucracy- attempt to formulate an ideal prototype for organisations
  - Takes away individual employee's creativity and limits the organisations ability to respond quickly to an increasingly dynamic environment
- Characteristics
  - Specialisation of labour
  - Formal rules and procedures
  - Impersonality

- – Well Defined hierarchy
- – Career Advancement based on merit
- His theory influenced the model structure for todays large organisations
- Emphasises:
  - – rationality
  - – predictability
  - – impersonality
  - – technical competence
  - – authoritarianism