

Leadership and Management in Nursing

Part 3

Management

Fourth year

Management Theories

Management theories are the set of general rules that guide the managers to manage an organization. Theories are an explanation to assist employees to effectively relate to the business goals and implement effective means to achieve the same.

A management theory attempts to provide one or more ways to solve problems of "management."
"Management" can be defined as:

Determining a goal, planning and organizing around the goal, and leading and controlling efforts to ensure successful completion of the goal

Four Types of Management Theory

The aim of business management is to find the most efficient and productive ways of operating a business. This usually entails finding strategies to coordinate the different branches of a business. Each business management type is determined by an underlying management theory, which determines the strategy and long term goals of the business. For instance, a successful management theory provides ways to coordinate the financial, marketing, human resources and information technology of a company.

Management theories are concepts surrounding recommended management strategies, which may include tools such as frameworks and guidelines that can be implemented in modern organizations. Generally, professionals will not rely solely on one management theory alone, but instead, introduce several concepts from different management theories that best suit their workforce and company culture.

1. Systems Management

Systems management offers an alternative approach to the planning and management of organizations. The systems management theory proposes that businesses, like the human body, consists of multiple components that work harmoniously so that the larger system can function optimally. According to the theory, the success of an organization depends on several key elements: synergy, interdependence, and interrelations between various subsystems.

Employees are one of the most important components of a company. Other elements crucial to the success of a business are departments, workgroups, and business units. In practice, managers are required to evaluate patterns and events in their companies so as to determine the best management approach. This way, they are able to collaborate on different programs so that they can work as a collective whole rather than as isolated units.

2. Chaos Theory

Chaos theory is a scientific theory that has been applied to management practice. It was first introduced in this context by Tom Peters in the 1980s. He stated that managers must be prepared for environmental and technological changes.

Chaos theory focuses on the unpredictability in occurrences and behaviors. It regards organizations/businesses as complex, dynamic, non-linear, co-creative and far-from-equilibrium systems. Their future performance cannot be predicted by past and present events and actions. In a state of chaos, organizations behave in ways which are simultaneously both unpredictable (chaotic) and patterned (orderly).

Naturally, systems gravitate toward complexity. As such, they become increasingly volatile and susceptible to the effects of chaos.

Also, organizations require increased energy and effort to maintain their systems and stability. The effect is that these systems will ultimately fail if not split or combined with other systems.

While the occurrence of the unpredictable cannot be controlled, randomness can be accounted for within mathematical formulas.

3. Freedom-Based Management Theory.

The freedom-based management theory suggests there is no reason why a management system should be organized in a hierarchical structure where employees are controlled and restricted by management. This theory supports the use of fully empowered employees that are more like entrepreneurs and act in full freedom while still functioning with accountability and responsibility.

4. Contingency Management Theory

The main concept behind the contingency management theory is that no one management approach suits every organization. There are several external and internal factors that will ultimately affect the chosen management approach. The contingency theory identifies three variables that are likely to influence an organization's structure: the size of an organization, technology being employed, and style of leadership.

Fred Fiedler is the theorist behind the contingency management theory. Fiedler proposed that the traits of a leader were directly related to how effectively he led. According to Fiedler's theory, there's a set of leadership traits handy for every kind of situation. It means that a leader must be flexible enough to adapt to the changing environment.

The contingency management theory can be summed up as follows:.

- There is no one specific technique for managing an organization.
- A leader should be quick to identify the particular management style suitable for a particular situation.
- The primary component of Fiedler's contingency theory is LPC - the least preferred co-worker scale. LPC is used to assess how well oriented a manager is.

Global Theory of Management

Today, there are many school of a management. There are also many manage experts. each school and each expert gives their own theory about management They say that their theory is right, and the theories of the other experts are wrong There are so many management theories. We cannot say, which one right which one is wrong. This has caused a lot of confusion in the field of management .

Harold Koontz warned all management experts to stop this jungle warfare because of its destructive nature. He asked them to remove all these confusions. This is because if confusion exists, then management will not have universal application. So now all the management theories/ thoughts /schools experts are converging That is they are coming together at a same point All the experts are agreeing with each other .

Global Theory of Management.

1. The empirical approach

The empirical approach is a method of gaining knowledge or understanding through direct observation, experience, or experimentation. It's grounded in the idea that knowledge is derived from tangible, measurable evidence rather than relying solely on theoretical or abstract concepts. This approach is commonly used in scientific research and various fields like psychology, sociology, economics, and natural sciences.

2. System thinking

Most experts agree that the organization is a unified, purposeful system consists of many different parts. The organization is a part of environment.

3. Situational and contingency approach

Most experts believe that we cannot have universal styles of management can be used in all situations. A manager must first study the situation ver then he must use a style of management, which is suitable for that situation.

4. Motivation and leadership theory

Most experts feel that the theories of motivation and leadership must be combined. They support the Follower Theory of leadership. According to the follower theory, people will follow those leaders who will help them to satisfy their wants. So, a leader will be successful only if he can satisfy the wants of his followers. Now-a-days leaders must combine both financial and non-financial motivation plans.

5. Impact of technology

All experts agree that technology has a big influence on management. Management has to change according to the changes in technology. Technology has a direct effect on the organizational structure, plant location, plant layout, production design and role of manpower. As the technology changes, these factors will also change.

6. Merger of theory and practice

Most experts agree that the best way to teach management is to combine theory (fundamentals) and practice (case studies). Management trainees all over the world read the same management books. They also read the same case studies. They are given the same type of training. They also talk to other managers all over the world using advanced communication technology. Today, all multi-national corporations (MNC's) use the same management techniques. This justifies the emergence of Global Theory of Management.

7. Unified development and behavior

Most experts feel that Organization Development and Organization Behavior are both moving towards the same direction. So, the experts are making uniform (same) theories for organization development and behavior. These theories are used for managing MNCs all over the world.

8. Research supports the management process

Research all over the world, found that the management process (planning, organizing, directing, controlling) is the best way to manage an organization. So, organizations all over the world are using the management process.

9. Common meaning for management terms

About twenty-five years ago different management experts gave different meanings for the same management terms. However, now this situation has stopped. Today, management terms have same meaning in all books.

Why Study Management Theories?

1. Increasing Productivity

One of the reasons why managers should be interested in learning management theories is because it helps in maximizing their productivity. Ideally, the theories teach leaders how to make the most of the human assets at their disposal. So, rather than purchase new equipment or invest in a new marketing strategy, business owners need to invest in their employees through training.

It can be seen in Taylor's scientific management theory. As mentioned earlier. Taylor proposed that the best way to boost workers' productivity was by first observing their work processes and then creating the best policies.

2. Simplifying Decision Making

Another area where management theories have proven to be useful is in the decision-making process. Max Weber proposed that hierarchical systems encourage informed decision-making. A report written by the Institute for Employment Studies suggests that flattening the hierarchy paves the way for local innovation while speeding up the decision-making process. Flattening out entails getting rid of job titles and senior positions so as to inspire a cohesive work environment.

3. Encouraging Staff Participation

Management theories developed in the 1900s. aimed at encouraging interpersonal relationships in the workplace. One such theory that encouraged a collaborative environment is the human relations approach. According to this theory. business owners needed to give their employees more power in making decisions.