

Axes 6, 7, and 8: Organizational Theories

First: The Classical School

The classical school emerged in the 20th century and views the individual as a production machine, often referred to as the "machine model." This perspective assumes no variables impact an individual's performance of tasks. For instance, if a manager instructs an employee to produce 20 units per day, the employee is expected to comply regardless of their circumstances, such as being healthy or ill. The classical school views such conditions as irrelevant to task performance.

Key Theories:

A. Scientific Management Theory:

Founded by the American Frederick Taylor, known as the "Father of Scientific Management," this theory aimed to enhance industrial efficiency. Taylor emphasized that instead of workers competing over how to divide the added value, they should unite to increase it and improve their share. Taylor's approach sought to boost organizational productivity by optimizing the efficiency of production processes through empirical research.

- **Task Specialization:** Taylor advocated for dividing labor into sequences of operations rather than having individuals produce a product from start to finish. For example, in TV manufacturing, one group might produce specific components, while others complete different parts until the final product is assembled.
- **Implementation:** This system requires scientific studies, worker training, collaboration, and proper planning.
- **Criticism:** The theory has been criticized for exploiting workers by treating them as machines, neglecting their psychological needs, and discouraging teamwork, initiative, or creativity.

B. Fayol's Administrative Theory:

Henri Fayol, a French engineer, distinguished the management function as unique and separate from other organizational functions such as finance, insurance, accounting, and production. Fayol outlined the core functions of management: planning, organizing, commanding (leadership), coordinating, and controlling. He proposed 14 principles of management, including:

- Division of labor, authority and responsibility, discipline, unity of command, unity of direction, subordination of individual interest to

general interest, remuneration, centralization, scalar chain (hierarchical structure), equity, order, stability of tenure, initiative, and esprit de corps (team spirit).

- **Criticism:** This theory neglected human and psychological aspects of individuals and treated the organization as a closed system, ignoring external environmental influences.

C. Bureaucratic Theory:

German sociologist Max Weber, a pioneer in sociology and public administration, introduced the concept of bureaucracy.

- **Core Idea:** Weber believed that organizations should rely on abstract principles and rational relationships free of bias. Bureaucracy is structured hierarchically, with authority flowing from top to bottom.
- **Characteristics of Bureaucracy:** Division of labor, separation of personal and official work, appointments based on qualifications, promotions based on seniority or merit, monitoring employee performance, and fair compensation.
- **Criticism:** Bureaucracy can lead to rigidity in behavior, lack of consideration for employees' emotions and desires, and resistance to organizational change due to stringent systems and procedures.

Second: The Behavioral School

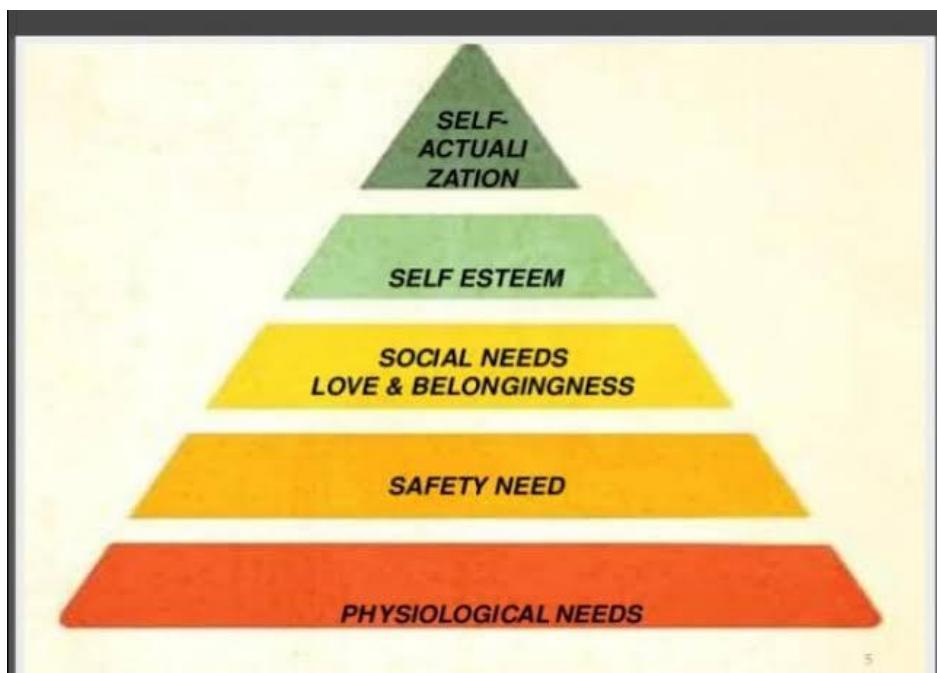
The behavioral school serves as a bridge between the classical school and modern management. It emphasizes the study of human behavior within organizations, addressing the gaps left by the classical school in considering psychological and social factors.

Key Contributions:

A. Human Relations School:

Pioneered by thinkers like Elton Mayo, Douglas McGregor (Theory X and Theory Y), and Abraham Maslow (Hierarchy of Needs), this school stresses that organizations should create an environment that fulfills employees' material, psychological, and social needs. For example, employees should find satisfaction in their work environment through fair wages, recognition, psychological comfort, and a good standard of living.

- **Motivation:** Rudolph Stagner's motivation theory highlights the internal drive that activates behavior toward achieving goals, such as working to secure housing.
- **Maslow's Hierarchy of Needs:** Maslow proposed a pyramid of needs, starting from basic physiological needs and progressing to higher levels of psychological and self-fulfillment needs.



Maslow's Hierarchy of Needs

1. **Physiological Needs**
 - Stable financial income for work.
 - Regular meals during work.
 - Fixed and reliable working hours.
2. **Safety Needs**
 - Safe working conditions and occupational safety.
 - Fair wages and financial rewards.
3. **Social Needs**
 - Friendly relationships and good rapport with colleagues.
 - Interaction with customers.
 - A work environment fostering cooperative and respectful dealings.
4. **Esteem Needs**
 - Responsibility for a critical task.
 - Recognition and appreciation from superiors for achievements.
 - Promotion to a higher job role.
5. **Self-Actualization Needs**

- Creativity and challenging tasks.
- Participation in decision-making.
- Independence and freedom in work.

Key Features: The behavioral school focuses on human behavior, prioritizing employees' psychological and social needs over rigid systems.

Third: Modern Organizational Theories

1. Total Quality Management (TQM):

TQM is a strategic approach aiming for continuous improvement to meet or exceed customer expectations. It involves the active participation of management and employees in refining processes to deliver quality outcomes. TQM is more than a program; it's a work philosophy emphasizing customer satisfaction as the ultimate goal.

2. Japanese School and Systems Approach:

- **Japanese School:** This approach emphasizes social and cooperative harmony within organizations while aligning with societal values. Core features include lifetime employment, self-regulation, teamwork, attention to individual development, and product quality.
- **Systems Approach:** Treats the organization as an open system influenced by its external environment. It comprises inputs, transformation processes, outputs, and feedback loops.

3. Contingency Theory and Management by Objectives (MBO):

- **Contingency Theory:** This approach advocates tailoring management practices to the specific circumstances or challenges faced by the organization. For instance, Coca-Cola's product variations in Algeria versus the U.S. or the shift from traditional to online education during the COVID-19 pandemic.
- **MBO:** Involves agreements between managers and employees on achieving specific objectives within a defined timeframe, ensuring all efforts align with organizational goals.