

# MANAGEMENT THEORIES

## Introduction:

Throughout history, companies have been putting different management theories into practice. Not only have they helped to increase productivity, but they've also improved the quality of services. Although these management theories were developed ages ago, management theories help in creating interconnected work environments where employees and employers work hand-in-hand. There are popular management theories, each one of them has a special feature. .

## What are Management Theories?

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



## Benefits of Management Theories:

- 1 Increasing Productivity
- 2 Simplifying Decision Making
- 3 Encouraging Staff Participation

## Popular Management Theories:

For a long time, theorists have been researching the most suitable forms of management for different work settings. This is where management theories come into play. Although some of these theories were developed centuries ago, they still provide stable frameworks for running businesses.



### Japan

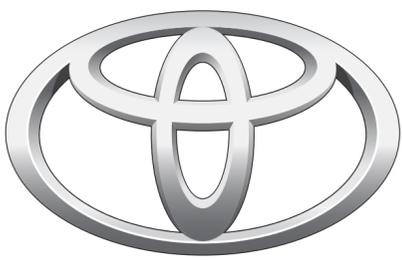
The Japanese apply different principles and have developed different approaches, theories, and policies to tackle each of the challenges that they could face. These challenges are certainly major factors in the astonishing rise of Japan. In the last 100 years, Japanese management theories are focusing on traits within its system of management, from cultural aspects embedded within the business to issues of the financial system, industrial relations, and labor management and management methods such as production control.



## Kaizen theory

Kaizen is the combination of the words kai (change) and zen (better) in Japanese, it refers to the philosophy or practices that focus on continuous improvement of processes in manufacturing, engineering, and business management. These improvements are usually accomplished at little or no expense and without sophisticated techniques.

**It was found In 1986 by Masaaki Imai.**



**TOYOTA**

## TOYOTA

Toyota was facing a serious labor shortage, and its strong focus on improving productivity and production efficiency over the decades had created a strained work atmosphere. To deal with the labor shortage issue, Toyota employed many temporary workers in the assembly plants. Because these temporary workers were not adequately trained, the annual working hours of the company increased, while productivity decreased.

**Thus, to deal with these problems Toyota have :**

- Vector of cost management was oriented towards cost reduction made in the product design stage more than in the production stage;
- The production efficiency management was altered by the unilateral one to an autonomous one of Production Divisions;
- Changes in wage systems and Changes in the management of working hours occurred at the same time.

These modifications mean that after encountering the labor crisis, Toyota can not search only for cost reduction by increasing production efficiency, but also has to advance humanization of work. Thus, kaizen activities were reoriented for making assembly work more attractive.



## America

American companies follow different principles and theories in management. Americans are oriented to gain as much profit as possible, and that's why most American theories are focused on how they can improve productivity and motivate employees to achieve the company's goals.

## Z theory

Theory Z is an approach to management based on a combination of American and Japanese management philosophies. It aims to motivate people. According to Ouchi, Theory Z management tends to promote stable employment, high productivity, and high employee morale and satisfaction.

### Benefits of implementing Z theory:

reduce employee turnover

Increased commitment

Drastic increases in productivity



## Samsung

One of the best examples of applying theory Z is Samsung, which is considered as one of the largest companies in the technological industry. Samsung decided to apply the Z theory philosophy in its management where its approach was as follows

- The length of employment is neither short-termed nor lifetime.
- Responsibility is assumed by the individual.
- There is a holistic concern for employees.

- The organization culture values a collective approach, not individual action, regarding the mode of decision making.
- The control depends on both implicit-informal and explicit-formal measures.

