



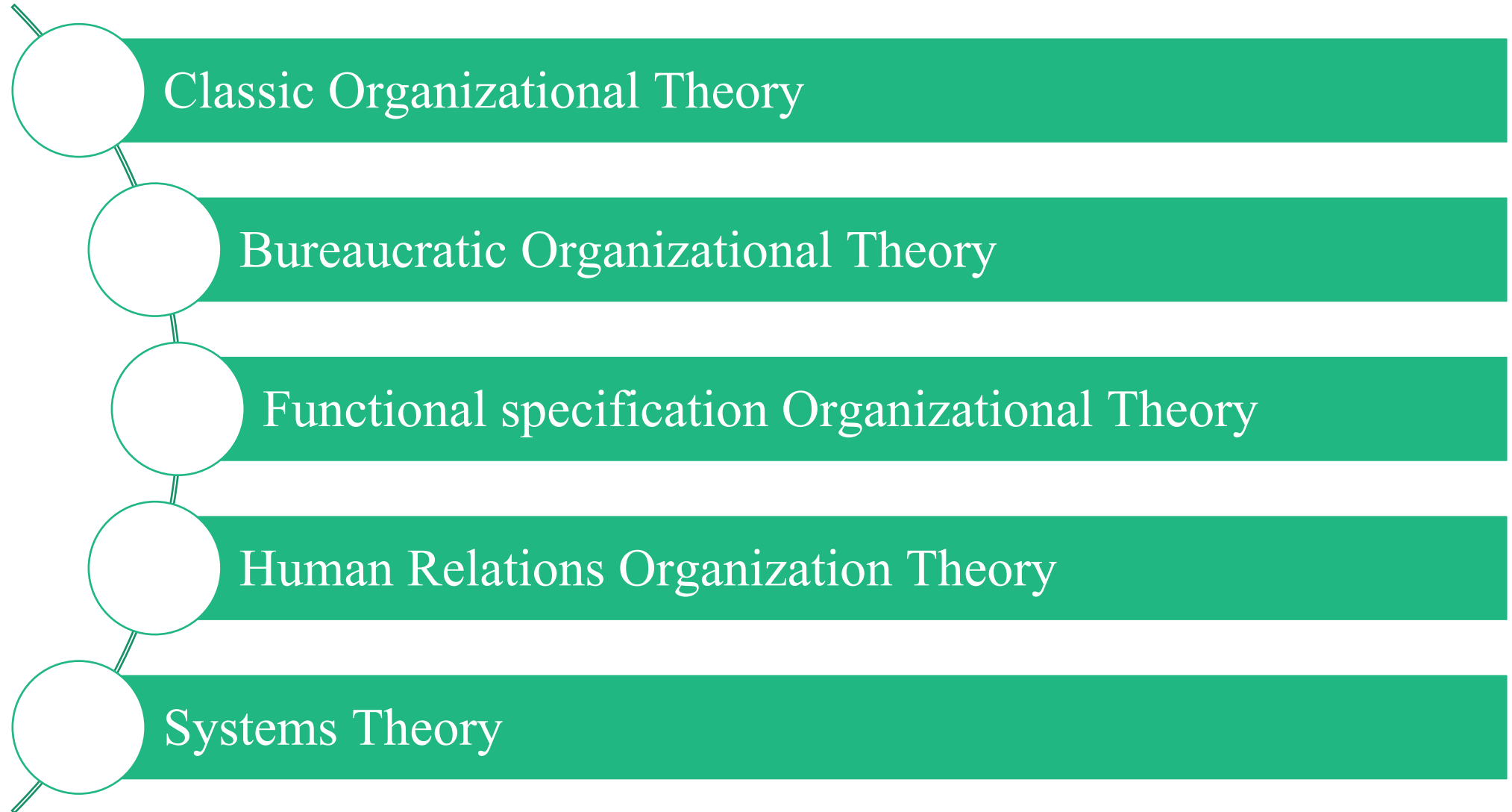
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Theories

What is organizational theory

Organizational theory is the sociological study of the structures and operations of social organizations, including companies and bureaucratic institutions. Organizational theory includes the analysis of the productivity and performance of organizations and the actions of the employees and groups within them.

5 Organizational Theories



Classic Organizational Theory

Specialization

Unity of direction

Functional specification

Chain of command

Parity between authority and responsibility

Span of control

Bureaucratic Organization Theory

Task should be divided among various position holder on the criteria of their abilities.

Position should be organized in a hierarchical structure of authority.

Official decisions and actions should be governed by a formally established system of rules and regulations.

Employment and promotions in the organization should be based on the universalistic criterion of abilities.

Modern Structural Organization Theory

1. Established objectives through control and coordination.
2. There is a "best" structure for any organization in light of objectives, environment, products or services and the technology of the production process.
3. Specialization and division of labor increase the quality and quantity of production.
4. Organic -More participation, more reliance on workers and best in dynamic conditions.

Human Relations Organization Theory

Group oriented management

Team work

Voluntary cooperation

Self control

Group decision making

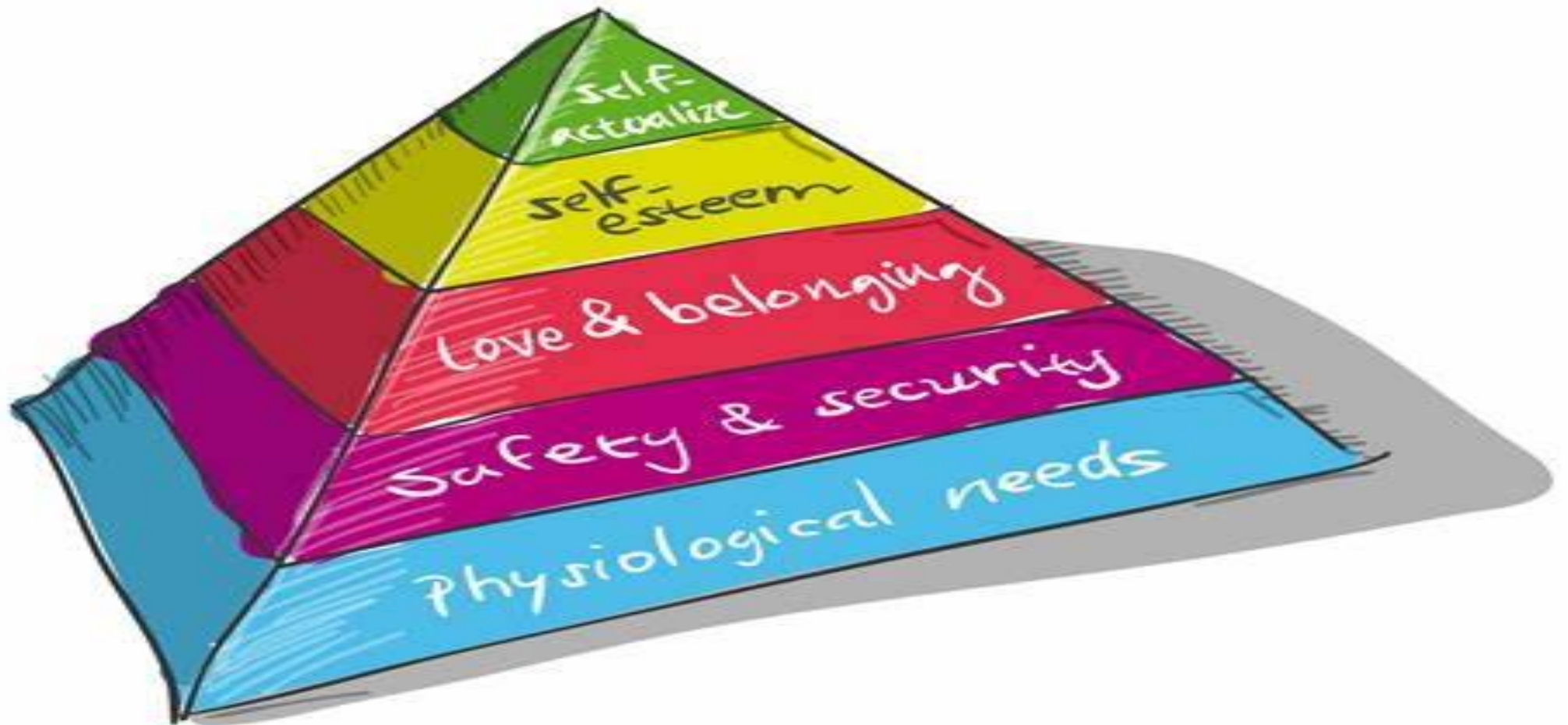
Hierarchical coordination and control

Task specialization

Systems Theory

Systems theory views an organization as a complex set of dynamically intertwined and interconnected elements including inputs, processes, outputs, feedback loops and the environment.

System Theory by Maslows



Henri Fayol

