2. The administrator

The administrator is in charge of managing aspects of an organization by using its resources to accomplish common goals and objectives.

2.1 Classical and humanistic perspective of administration

Classical and Humanistic or behavioral perspectives are two very different schools of thought that offer insight into how an organization should be managed and what the administration should focus on.

2.1.1 Classical School

This is the oldest school of thought for management. The emphasis of the classical school of management is to manage workers and organizations more efficiently.

Classical theorists believed that experience above all affected an organization.

It is the belief that employees have only economical and physical needs, and that social needs and need for job-satisfaction either don't exist or are unimportant. Accordingly, this school advocates high specialization of labor, centralized decision-making, and profit maximization.

Top-down management

2.1.2 Human Behavior School

The emphasis of the human behavior school of management is to understand the factors that affect human behavior in an organization.

Behavioral theorists believed that a better understanding of human behavior at work, such as motivation, conflict, expectations, and group dynamics, improved productivity.
The theorists who contributed to this school viewed employees as individuals, resources, and assets to be developed and worked with — not as machines, as in the past.

Listening to others, even those lower down the chain.

**Believed people worked for inner satisfaction and not materialistic rewards**

**Hawthorne Studies**: experiments that revealed the downfalls of classical management and proved that human relations and the social needs of workers are crucial aspects of business management.

In one experiment, a group of five women in a bank wiring room were analyzed. They gave the women special privileges, such as the right to leave their workstations without permission, take rest periods, enjoy free lunches, and have variations in pay levels and workdays. This experiment also resulted in significantly increased rates of productivity.

Abraham Maslow, a practicing psychologist, developed one of the most widely recognized need theories, a theory of motivation based upon a consideration of human needs.

His theory of human needs had three assumptions:

1. Human needs are never completely satisfied.
2. Human behavior is purposeful and is motivated by the need for satisfaction.
3. Needs can be classified according to a hierarchical structure of importance, from the lowest to highest.
2.1.3 Theory “X” and Theory “Y”

Douglas McGregor was heavily influenced by both the Hawthorne studies and Maslow. He believed that two basic kinds of managers exist.

Theory X Manager: has a negative view of employees and assumes that they are lazy, untrustworthy, and incapable of assuming responsibility.

Theory Y Manager: assumes that employees are not only trustworthy and capable of assuming responsibility, but also have high levels of motivation.

According to McGregor, both types of managers create **self-fulfilling prophecies**.

**self-fulfilling prophecies** - that through their behavior, these managers create situations where subordinates act in ways that confirm the manager's original expectations.
2.2 Quantitative perspective of administration

The quantitative approach to management involves the use of quantitative techniques, such as statistics, information models, and computer simulations, to provide an increasing quality of managerial decision-making.

Created from the research of Mathematicians, physicists, and other scientists.

This view encourages managers to use mathematics, statistics, and other quantitative techniques to make management decisions.

Managers can use computer models to figure out the best way to do something, saving both money and time.

- Mathematical forecasting helps make projections that are useful in the planning process.
- Inventory modeling helps control inventories by mathematically establishing how and when to order a product.
- Queuing theory helps allocate service personnel or workstations to minimize customer waiting and service cost.

Management information systems (MIS) is the most recent subfield of the quantitative school.
2.3 Modern and contemporary perspective of administration

Modern management understand that management needs has changed over time has the world has changed. One of the most modern forms of management is the Contingency approach, which is from the 1960s.

Contingency approach: looks at other theories that claim to be the defining management approach with skepticism. The claim is that there is no one best way to manage.

The following are some examples of factors or contingencies that are different depending on the business:

- Changes in technology,
- Demographic shifts,
- Economic conditions,
- Cultural factors, and
- Government and legislation.

If management is flexible, then management can respond to each of these factors and act accordingly.

**Companies that operate in uncertain environments** are more successful with a flexible approach to management.

**Companies in a more stable environment** do better with a more rigid and structured management style of operations.