

AN ETHICAL ASSESSMENT OF MANAGEMENT THEORIS

Heidy Renanthera Edi (2210363)
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Executive Summary

The main purpose of this report is to find solutions to companies' managerial issues, whether it is about unfairness, overworking etc. Topics that will be covered are the role of the manager based on Fayol and Mintzberg theory, challenges to management and how to overcome that, management theory and mainstream v critical. While also looking into the key problem of management issues. This report will also be looking at Costa employee complaints from 2019 regarding their deduction salary for training that did not happen or their manager overworking them more than the working hours during the holiday and deducting their holiday pay.

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1.0 Introduction

The purpose of this case study is to be able to find solutions to companies' managerial issues, whether it is about unfairness, overworking etc. Topics that will be covered are the role of the manager, challenges to management, management theory and mainstream v critical. While also looking into the key problem of management issues.

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2.0 Main Findings

2.1 The Role of the Manager

According to this article there are several ways for managers to shape the culture of their teams and work conditions. They must perform both administrative and leadership duties. And for them to succeed, a variety of skills are required. Managers often oversee a certain department or job function inside the organisation. In the areas of accounting, marketing, sales, customer service, engineering, quality, and all other groups, a manager either leads their team directly or is in charge of a team of supervisors that oversee the teams of employees (Reh, 2020). The role of the managers varied: “hiring and staffing employees, training new employees, coaching existing employees, dealing with performance issues, supporting decision making and problem solving, conducting fair evaluations, translating organisation goals into individual goals, monitoring performance, planning and setting goals for the future.” (Reh, 2020).

Fayol (1949), a pioneer in management theory, proposed five processes that make up management: the managers needs to be able to plan, organise, lead, co-ordinate, control and plan for the company that they are working for such as foreseeing the future, lead the employee towards the goals (Lirio et al., 2008). However another theorist, Mintzberg (1990) managerial theory was more of a glimpse of reality as a result of his work as a researcher and academician whereas Fayol managerial role is based on his experience as a practitioner, then a theorist (Lirio et al., 2008).

According to Mintzberg there are 10 managerial roles; “figurehead, leader, liaison, monitor, disseminator, spokesperson, entrepreneur, disturbance handler, resource allocator, and negotiator.” These ten positions are a reflection of the complexity of the management function, where each individual manager has a variety of duties toward his or her organisation, his or her subordinates, his or her superiors, the shareholders, and the or the stakeholders (Meirc Training and Consulting, 2021)

In 2019, Costa’s employees filed for a complaint regarding their training. In an article written by Muller-Heyndyk (2019) Industry experts caution against such actions when allegations of compensation reductions for training and other anomalies against Costa Coffee employees arise. According to the BBC, Costa Coffee workers say that up to £200 of their wages has been deducted for training. The 13 present and former Costa Coffee employees who worked at Essex locations who were interviewed by the BBC claimed that they had also encountered extra operating expenditure deductions and issues with the tills (Yusuf, 2019). Based on the interview, apart from not receiving the training that they were supposed to be given, another Costa employee in another franchise has also filed a complaint against their manager regarding tip money and how the manager was using that for their own accord. The employee that works under Costa in Essex has also said that their holiday pay are being deducted, they quote, “despite having a contract that required them to work 48 hours a week, they had about £1,000 of their vacation pay deducted from their pay although worked an average of 60 hours per week since they were required to go to work at 05:30 in the morning.” (Muller-Heyndyk, 2019).

2.2 Challenges to Management

As a person advances in their career, management is frequently the next step. Of course, this development has its rewards, but it also presents a number of difficulties. The management style utilised is influenced by the manager's views toward people and presumptions about human nature and behaviour. Remembering that management is an activity that occurs within the larger context of the organisational setting and is influenced by the environment and culture of the company is crucial. Additionally, there are differences in the systems, attitudes, and management practises that managers select (10 challenges managers face & how to overcome them, 2021).

There are five types of management styles:

1. **Autocratic**, often known as authoritarian management style, is defined by a total individual authority over all decisions and limited involvement from other employees. They rarely consider their employers input and instead base their decision on their own opinion and assessment. Their defining characteristic is dictatorial control over the employees. Like any other management style, autocratic management style has its own disadvantages and advantages (Autocratic Leadership, 2022).

2. **Democratic**, often referred to as “shared management” and that is used to engage participation from their employees by allowing them to voice their opinion. Democratic managers encourage open communication to help their employees, establish goals, evaluate their work and motivate them to do better. Democratic leaders encourage their employees to use their imaginations, to be adaptable in adopting new ideas, and to change accepted practices. Because of their direct participation and transparency, they usually gain the respect and trust of their team (Democratic Leadership Style in the Workplace: Pros and Cons, 2021).
3. **Bureaucratic** is the term used to describe the type of management that is being used by a few significant organisations. If you are in charge of a very regulated company environment, this initiative style might have a significant impact. This kind of management is also very successful when used in industries that do not demand a lot of staff invention or originality (Kukreja, 2020).
4. **Laissez-faire**, sometimes referred to as delegation leadership, is a leadership style in which group members are given autonomy to decide for themselves. This leadership approach often yields the lowest degree of group productivity, according to studies. This leadership approach may offer benefits as well as disadvantages. Knowing when to use this approach, such as with team members who are experts in their field, is useful for leaders as well. Leaders should regularly monitor employee performance and offer comments to help make laissez-faire leadership more effective (What Is Laissez-Faire Leadership?, 2022).

5. Paternalistic, often strong authority person who adopts the position of patriarch or matriarch and treats partners and workers like members of a big, extended family is known as paternalistic leadership. In exchange for the loyalty and confidence of the workforce, the leader wants compliance. A successful paternalistic leader places a high value on education and social skills and frequently goes out of their way to provide opportunities for staff to improve their interpersonal and business skills. They also take the big picture into account and think about how every decision will affect "the family" in the long run. When this managerial style is properly executed, employees may exert greater effort to finish work within a certain time limit in order to reach or even surpass their goals in order to please the manager (Sales, 2016).

Costa managerial style is autocratic, based on the interview from BBC, their manager makes their own decision in regards to their own employee, such as taking money for training that never happened, deducting holiday pay and overwork them (Yusuf, 2019).

2.3 Management Theory

In research from Lirio et al. (2008) (as cited in Fayol. 1949) Even though employees must be skilled in all talents at all levels, technical skills are especially crucial for management jobs. Naturally, as employees rise through the ranks and take on more management duties, managerial abilities will become more and more crucial.

Management theory is beneficial to comprehend the relationships between management theory, behaviour, and practise. It facilitates understanding of the management guiding concepts. Management theories are interpretative and flexible enough to change with the needs of the company. Modern management theories help businesses increase production by making the best use of human resources possible. Businesses go to great lengths to ensure that employees are as effective and productive as possible (Thompson, 2019).

The classical management approach first showed up. Many people still uphold the principles that were developed utilising this process. According to this manager's plan, the emphasis should be placed more on productivity than on individuals. It also believes that financial incentives are what motivate employees. One of the earliest management techniques is the classical approach. There are two types of classical approach, scientific and bureaucracy theory.

The scientific management philosophy places a strong emphasis on personal effectiveness and productivity. Fredrick Winslow Taylor (1890–1940), in his book *Principles of Scientific Management*, is credited as the originator of this approach (1911). His suggestion was to use management as a field in which to apply scientific method concepts. He had such a profound impact on management science that Taylorism is frequently used to describe it (Gordon, 2022). According to Gordon (2022), “the scientific theory aims to boost individual productivity in order to boost production within an organisation.” Taylor imagined a single best approach to carrying out an organisational task. Instead of focusing on complex or problem-solving activities, Taylor's research focused on routine, repetitive tasks. Each task had precise specifications and measurements (Gordon, 2022). These activities could be performed more effectively if they were standardized. Using technology, for instance, these kinds of activities might be largely automated. Taylor used timing measures for routine tasks to find savings and cut down on time wasted (Gordon, 2022). Additionally, he sought to maximise the resources or equipment used in these routine tasks. He was able to boost individual effort's efficiency by customising technology or equipment. In addition, Taylor proposed a system of rewards and punishments to encourage effective practice. Higher output earned rewards for employees who adapted to more effective methods. Punishment was given to employees who were unable or unwilling to adapt (Gordon, 2022).

In order to properly manage a firm, according to Max Weber's formulation of the bureaucratic management theory, it is essential to have a clear chain of command as well as adequate norms, protocols, and regulations for supervising each commercial function. The act of exercising knowledge, authority, or control over a group of people or activities is known as bureaucracy. The focus of this theory is these two fundamental standards: providing clear principles, procedures, and standards for carrying out business tasks and transactions; creating a hierarchical structure inside the firm (J, 2020) .

2.4 Mainstream v Critical

According to Adler, Forbes, and Willmott (2007) critical management studies (CMS) provide a variety of alternatives to traditional management theory in an effort to fundamentally transform management practice. The main concerns of CMS are not the flaws of specific managers or enterprises, but the social injustice and environmental damage of the wider social and economic institutions that these managers and corporations support and maintain. This persistent worry stems from a strong cynicism about the moral validity and social, ecological, and organisational sustainability of present management and organisational conceptions and forms. By highlighting how present dominant structures produce a systematic degradation of moral responsibility anytime any concern for people or the environment needs to be justified in terms of its contribution to successful growth, CMS takes these emotions to a radical new level.

Mainstream management theory however, in order to expose its shortcomings and offer recommendations for future improvements. Accounting-based methodologies have dominated the study of management controls, which has led to an uneven development of management control theory. The embedded sociocultural environment from which these issues originate and are linked with complicated obstacles cannot be effectively explained by management control theory. The basic problems with the conventional management control theory were not resolved, despite the influence of organisational theory, notably systems theory, cybernetics, and contingency theory, which led to a minor outer migration of the theory's bounds (Hewege, 2012).

3.0 Conclusion

To conclude all the points above, we found out about Costa managerial style, what is the role of manager based on the Fayol and Mintzberg theory, the challenges to management based on each management style; autocratic, democratic, bureaucratic, paternal and laissez-faire. Apart from that the management theory based on Taylor (1890) and Max Weber theory about each management style.

4.0 Recommendations

Based on the findings above, Costa managerial style is autocratic, based on the interview from BBC, their manager makes their own decision in regards to their own employee, such as taking money for training that never happened, deducting holiday pay and overwork them (Yusuf, 2019). To overcome this, we need to understand that an autocratic leader will act in ways that indicate an authoritarian mentality and the desire to rule over people around them. Typically, they are unconcerned with other people's emotions. As they strive for excellence, they won't put up with poor performance or lame justifications. Due to their strong will and determination to succeed no matter what, this attitude frequently causes problems in relationships with coworkers. Knowing their weakness is also another bonus point (Strategies for Surviving an Autocratic boss | Maguire Training, no date; Kramer, 2020; Wilson, no date).

Managers and workers will make up the majority of these people, especially those who do not gain from or receive any advantages from the boss. Even more eager to see them fail would be those who had to leave the group because of the authoritarian boss. It is extremely difficult for a leader to flourish when they are surrounded by others who disapprove of their achievement. However, if the leader is in crisis, everyone who has a personal issue with them will speak out. When an authoritarian leader is in trouble, coworkers sometimes hesitate to speak up out of fear of consequences (Strategies for Surviving an Autocratic boss | Maguire Training, no date; Kramer, 2020; Wilson, no date).

Therefore, Even if you openly critique their leadership style, they won't change. The older an authoritarian leader gets, the more difficult it will be to convince them to change their ways, especially if they have been successful in the past. You can't teach an old dog new tricks. You will eventually gain your autocratic boss's trust if you consistently accomplish your goals and finish the tasks that have been given to you. As a result, you will have more independence and freedom to fulfil your obligations however you like (Strategies for Surviving an Autocratic boss | Maguire Training, no date).

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