

Ministry of Health of Ukraine
Odesa National Medical University
Faculty of Pharmacy

Lecture 1 (Part 2)

*“Theoretical foundations of management.
Organization as an object of management.
Management and successful management.*

- An **organization** is a group of people whose activities are consciously, managed or spontaneously coordinated to achieve a specific goal.

Requirements:

- - the presence of at least **two people** who consider themselves to be part of this group;
- - the presence of at least **one goal** (that is, the desired end result), which is taken as a common by all members of a particular group;
- - having **group members** deliberately working together to achieve a meaningful goal for all.



Properties of an organization as an open system

- **Integrity** (change of one component determines the change of others);
- **Uniqueness** (each component can be considered separately);
- **Perspective** (development in the direction of improvement);
- **Independence** (possible separation of subsystems);
- **Specialization** (the ability to perform a specific list of works);
- **Transformation** of input elements in the weekend;
- **Centralization** (one of the components becomes dominant);
- **Growth** (the desire to expand, increase);
- **cyclical** development;
- **Balance**;
- **Unpredictability** of the causes of possible disturbances.

General features of organizations

- Setting a **mission** and **goals**;
- **availability of resources**: people, capital, materials, technology, information;
- dependence on the external environment (economic and legal conditions, public organizations, international events, legislation, competitors, technology, the mentality of society, etc.);
- **horizontal division of labor** (the allocation of specific tasks), which determines the emergence of subsections and services;
- **vertical division of labor**, aimed at coordinating work, that is, the implementation of the management process;
- need for management;
- **the presence** of formal and informal groups;
- the **implementation of certain** activities (production, financial, investment, trade, research, etc.).

Terms of success of the organization

- profitability
- capitalization
- survival
- entrepreneurial initiative
- development of communications
- effectiveness (efficiency)
- performance

- ability to form a culture;
- ability to practical implementation;
- ability to self-development;
- ability to effectively use investments;
- ability to improve the management system.

Life cycle stages of the organization

"Birth"

market penetration, ensuring survival in case of unprofitable activity, ensuring sufficient capital investment for the organization of the organization's activities

"Childhood"

consolidation in the market or its individual segments, ensuring the activity at the break-even level

"Youth"

a significant expansion of target market segments, ensuring high profit growth rates, development investment based on self-financing

Life cycle stages of the organization

"Maturity"

early - the subsequent expansion of market segments, a focus on regional diversification, ensuring stable growth of profits and ensuring them at an optimal level

the final one is the formation of the image of an enterprise, balanced growth, a focus on sectoral diversification of activities in order to maintain the level of competitiveness, ensure the support of the level of profitability at an optimal level

"Aging "

maintaining positions or partial reduction of production volumes, shutting down activities, falling profitability, financial stability

Life cycle stages of the organization

"Death"

a voluntary or compulsory termination of an organization's activities due to a change in the profile of activities, competition, overstock, expiration of the period for which the organization was established, goal achievement, bankruptcy or cancellation of the organization's state registration.

"Revival"

substantial renewal of forms, types and activities, ensuring conditions for increasing profitability, attracting significant amounts of investment

A group (team) is two or more people who interact with one another in such a way that each of them influences specific people (workers) and is simultaneously influenced by other persons.

FORMAL Group

INFORMAL Group

Is a group of workers **created by**

for a **specific purpose by the management** of an organization as a result of vertical or horizontal division of labor, the activities of which are deliberately planned, organized, motivated, controlled and regulated to achieve certain goals.

spontaneously based on social interaction, uniting people for common interests, to meet the needs for involvement, mutual assistance, mutual protection, close communication, etc.

General features of formal and informal groups

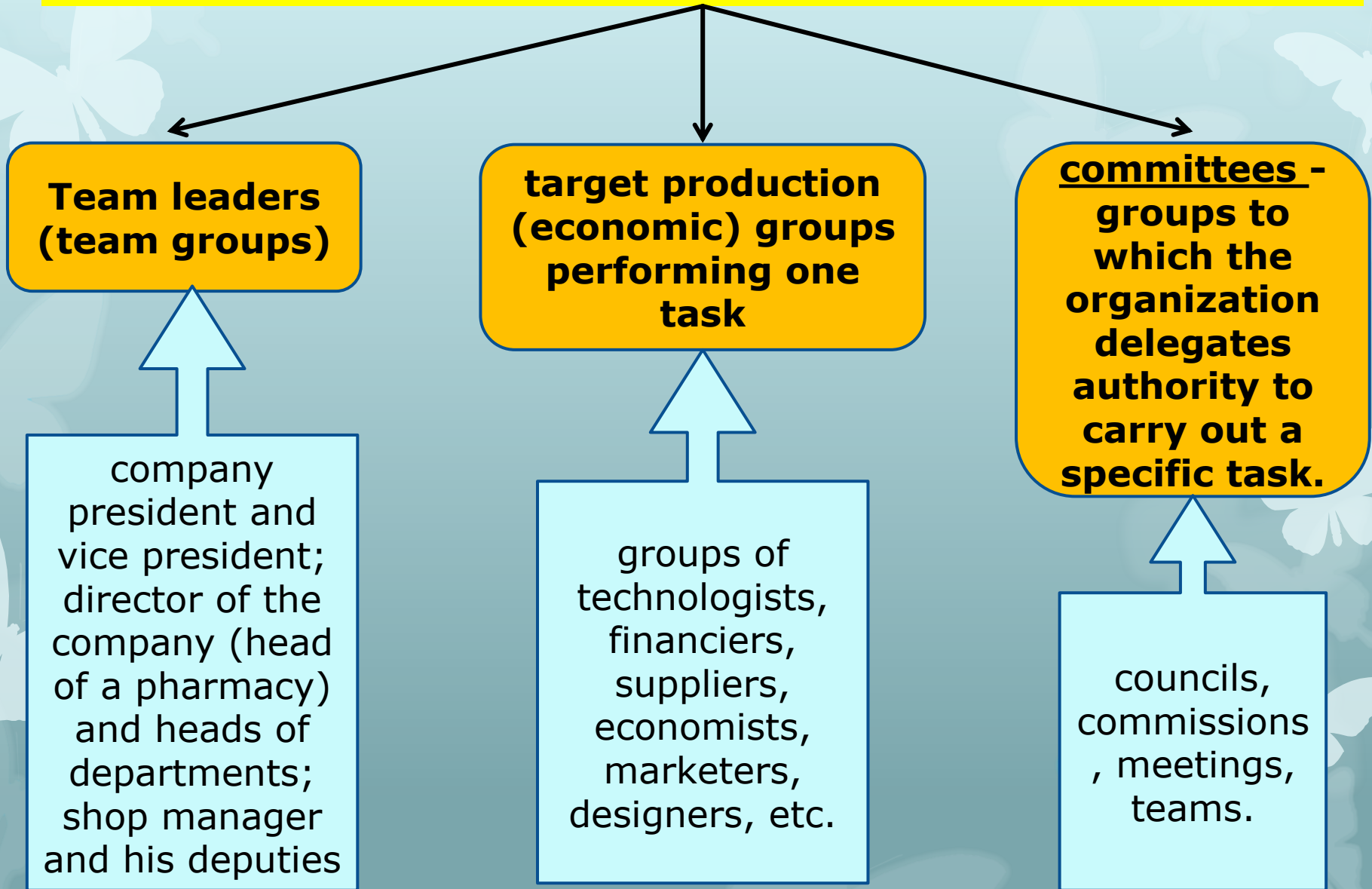
- are managed by leaders with the aim of solving certain tasks based on a specific hierarchy;
- have a certain structure of management and interaction;
- use unwritten rules (norms) in their activities;
- apply a certain system of rewards, incentives and sanctions.



DIFFERENCES OF GROUPS

	Formal	Informal
How is created	behind a thoughtful plan as a rule,	spontaneously
Who creates	by decision of managers	as a result of the emergence of interest, sympathy, and the like
Group structure	deliberately created	as a result of social interaction
Purpose of group members	achieving the goals of the group, generating income, achieving prestige, and the like	meeting the needs for involvement, mutual assistance, mutual protection, close communication

Type of formal groups



Factors affecting the activities of the group

Group size	
Composition of the group	<ul style="list-style-type: none">➤ provision of the group with information; the cohesion of the group members;➤ the relationship of the group with the management of the organization, its divisions, services, officials, as well as with other groups;➤ the existence of the established rights and obligations of the members of the group;➤ speed of making and implementing decisions; mechanism for making compromise decisions; formation of expenses (material, labor, financial) associated with the functioning of groups)➤ the use of functions and methods of management in the process of managing the group;➤ selection (appearance) of group leaders;➤ applying leadership styles when managing a group.
Group norms	
Group like-mindedness	
Conflict within the group	
Group member status	
Team member roles	

Characteristic of factors of the internal environment of the organization

Goals

The specific end state or result that a group of people would like to achieve by working together

Structure

The logical relationship between management levels and functional units, which allows you to most effectively achieve the goals of the organization (ordering, manufacturing, implementation, finance, personnel)

The task

The list of works to be completed in a specific form and within a predetermined time frame

Characteristic of factors of the internal environment of the organization

Technology

Any method of converting input materials (raw materials) (information, materials) into a final product or service

People

A central factor in any management model

Resources

natural, raw materials, material, financial and other values that the organization owns and which can be used in case of need to create goods, provide services, and obtain certain results.

Factors of the external environment of the organization

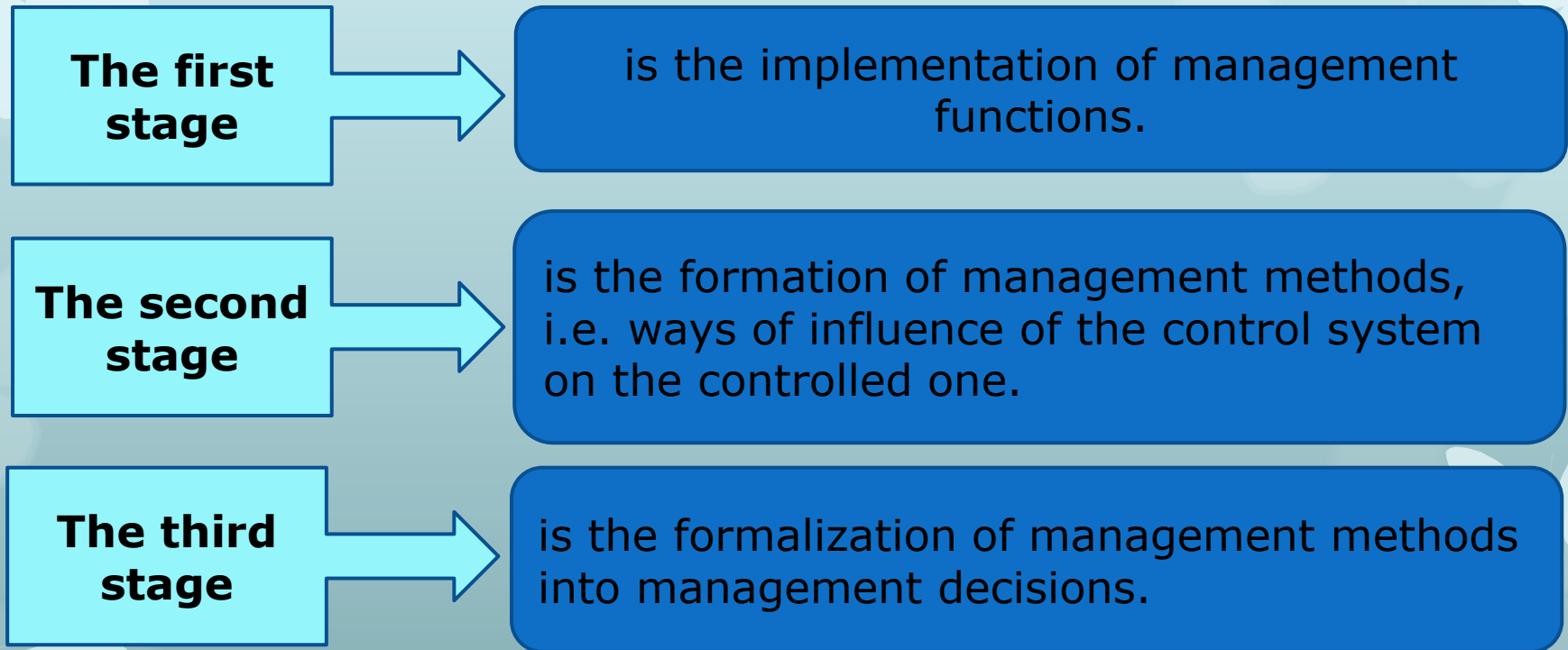
Direct action

- Consumers
- Suppliers
- Competitors
- State authorities
- Infrastructure
- Legislative acts
- Trade unions, parties and other public organizations

Indirect action

- International events
- International environment
- Scientific and technical progress
- Political circumstances
- Socio-cultural

- **MANAGEMENT PROCESS** - a sequence of certain stages that ensure the managerial influence of the control system on the controlled one in order to achieve the goals of the organization.



MANAGEMENT TECHNOLOGY - the sequential flow of general management functions, as a result of which specific management functions are implemented.