

UEF, 8th sem.

Section 4. Management in pharmacy.

Lesson 1.

Topic: **Management. The main stages of the development of management as a science. Principles, tools, functions, methods and models of management**

Questions for studying the topic

1. Management. Definition
2. The main stages of the development of management theory
3. The basic laws of management
4. Principles of management. Management tools.
5. Management functions and methods
6. Management models by country and continent.

1.Management: definition

The term management comes from the English. And it translates as management, organization of people's work in the enterprise, management.

Management is the process of purposeful influence of the subject of management on the object of management.

A management entity is the head of an organization, a group of founders, an individual or a legal entity that influences employees in an organization (in a pharmacy).

The object of management is the personnel of an organization and the processes in the work of this organization.

Pharmaceutical management is the effective use and coordination of the consumption of resources of the pharmaceutical industry as a whole or a pharmaceutical organization to achieve social and economic goals of activity.

With the help of management, employees and the organization as a whole achieve their goals in their work.

There are common characteristic features in the management of any organization:

- setting goals and defining the main tasks in the work of the organization;
- analysis of data on the current situation in the organization;

- making the necessary management decisions;
- implementation and control over the implementation of the decisions taken;
- coordination of personnel actions to perform the main tasks of the work.

General patterns in the organization's management system constitute the theoretical foundations of management.

2. The main stages of the development of management theory

For the first time in the history of society, about 6 thousand years ago, the Egyptians tried to solve the problem of governance. They believed that in order to achieve good work results, it was necessary to purposefully organize people's activities, plan these activities and monitor the performance of the work by the performers. Later in Greece, the philosopher Socrates formulated the principle of universality of management, the philosopher Xenophon defined management as a special kind of art. Later in 1100, the requirements for a manager as a manager were proposed, and in the 18th century, courses for managers were already developed. The development of management as a science represents 4 stages.

Stage 1 (1865-1920) – School of scientific management.

This is a stage of intensive industrial development and large-scale production. American engineers Frederick Taylor, Henry Emerson, Henry Ford organized continuous production lines, proposed systems of planning, standardization and control in production, and a new system of remuneration based on the result of work.

Stage 2 (1920 – 1950) – administrative (classical) school

French industrialist Henri Fayol and German sociologist Max Weber proposed 14 principles of the management process. The concept of bureaucracy has been formed, attention is paid to the creation of accounting and control documents, a clear distribution of work and management responsibilities.

Stage 3 (from 1930 to the present century) – theory (school) of human relations and behavioral sciences. Sociologists Andre Maslow and Robert Likert emphasized the importance of psychological and social factors and their impact on the result of the work of the entire team.

Stage 4 (from 1940 to the present) – the school of quantitative methods and a systematic approach. After the Second World War, the stage of introduction into practice of computer technology, process modeling, and system analysis begins. Physicist and biologist Ludwig Bertalanfi is the founder of the general theory of systems. The stage is characterized by the development of process, system and situational approaches in management theory.

3. The basic laws of management

The development of management methodology and practical management is based on the action of the basic laws of nature, society, and thinking. Together, these laws made it possible to formulate the basic laws of management.

1. The law of unity and integrity of management systems. In the structure of a pharmacy organization, it is advisable to form all the necessary divisions in accordance with the objectives of the organization's activities
2. The law of ensuring a sufficient degree of freedom in management. In each organization, there should be an optimal ratio of rigidity and flexibility in management decisions in the departments.
3. The law of necessity of a variety of control systems. In modern conditions, pharmacies have different organizational forms and forms of ownership, which requires a variety of management systems.
4. The law of correlation of managing and managed subsystems in the general system of the organization. For each level of the drug supply system, an optimal choice of the form of management, the degree of centralization and decentralization of management decision-making is necessary.

Modern management principles have been developed based on the laws of management

4. Principles of management. Management tools

Management principles are rules and norms of behavior in management, fixed by laws, standards, other normative documents and informal social provisions (culture, ethics, traditions).

Basic principles of management

1. Unity of command – an employee receives orders directly from one supervisor

2. Distributions – specific types of work are distributed among employees
3. Motivation – a system of incentives and penalties is being developed for employees
4. Leadership – as a rule, employees go to work for managers who provide for their personal needs
5. Scientific – the achievements of science are used in management
6. Responsibilities – each manager is responsible within the limits of his authority by position
7. Optimal centralization, hierarchy – a single chain of command
8. Efficiency – the result of work (profit) depends not only on income, but also on expenses
9. Providing feedback – the need to receive information about the progress and results of the work
10. Expediency – performing the most necessary operations
11. Sequences of managerial actions – consistent performance of management functions

In the process of management development, **3 tools** have been developed:

- Hierarchy** – subordination to the head according to the hierarchy
- Market** – the relationship is based on the purchase and sale of a seller and a buyer, an employer and an employee
- Culture** – a person behaves in accordance with the norms and rules accepted in society

In the modern management system, there are **3 levels** of management:

the highest are the heads of the ministry, the health committee, a large enterprise or an organization of federal importance

Average – the heads of pharmacy chains, large centers of research in pharmacy, are subordinate to the highest level.

The lowest - heads of pharmacies, departments, laboratories, are subordinate to the middle management level

5. Functions and methods of management.

In scientific management, there are general and private (specific) management functions.

General functions are characteristic of management in any field of activity.

Private functions are characteristic of specific types of activities and define distinctive, professional tasks in the work of the organization.

The general functions include 5 main management functions:

1. Work planning is the work of analyzing the situation, setting goals and objectives of the work

2. Organization of work, - each employee receives a task, the timing of its completion, the order of work

3. Motivation of employees to do good work, - stimulation of employees, incentives and penalties if the work is not completed

4. Control over the performance of work by employees, - evaluation criteria, indicators, and control deadlines are being developed.

5. Coordination in the process of work by employees is the central function of management, it affects all other basic management functions.

Private functions include functions in a specific organization:

- purchase of medicines and other pharmacy products
- sale of goods from the warehouse to wholesale buyers
- organization of storage of goods in a pharmacy or warehouse
- manufacture of medicines in a pharmacy
- sale of pharmacy products to the public
- supply of medicines to medical organizations and others.

Various methods are used in management.

Management methods are a system of rules and procedures for solving various tasks. **4 groups of methods** are used:

Organizational – through the job descriptions of employees

Administrative – the head gives instructions, issues orders for awarding or collecting

Economic – setting the amount of salary, allowances and bonuses

Socio-psychological - the head uses a socio-psychological climate and different leadership styles

5. Management models.

Management models are a set of elements, connections, and relationships characteristic of management systems in an organization, industry, or country.

The *Japanese management* model is based on a philosophical approach that considers human resources to be the main factor of wealth.

A special feature of Japanese management is the concept of continuous learning. The Japanese believe that only continuous learning leads to continuous improvement of skills. Each person can significantly improve their performance through continuous training. The characteristic features of the Japanese management style are a trusting, friendly atmosphere in the team, job security, confidence in stability. The Japanese management model is characterized by relationships based on collective elements of decision-making, responsibility, gradual advancement through the ranks, etc. The

American management model was formed during the formation of the United States as a global economic hegemon in the late XIX and early XX centuries. It is based on the principles of the classical direction in management, formulated by Henri Fayol, known as the founder of the administrative school of management.

Characteristic features of the American management system:

1. Exceeding personal interest in working on a collective result.
2. The absence of a team, the atmosphere of general distrust.
3. The vertical relationship is based on a contract.
4. The main quality of a manager is high professionalism, striving for profit and personal gain.
5. A written rule takes precedence over oral tasks.

In the European Management Model:

- o Management decisions are made individually in each specific situation.
- o There should be a clear division of responsibility between managers and workers.
- o The management structure should be clear and scientifically sound.
- o The control system depends on the hierarchical structure.
- o Personal achievements of the staff play an important role.
- o The system encourages high dynamics of career growth.
- o Work should be paid depending on the amount of work invested.
- o Production requires the presence of professionals in every narrow industry.

The Arab management model is greatly influenced by the religious traditions of Islam, family and friendly relations, and the interests of communities.

The Arabic style of management has its own value system and is characterized by the following characteristics:

- results planning is not focused on the work process, but on the individuality of the employee as a person;
- measures to activate the activities of employees and managers contribute to the emergence of internal motives not to achieve the goals of the team, but to meet the need for promotion, obtaining authority;
- the need to anticipate the social conventions of the behavior of employees of different genders in the process of work;
- the use of personal communication channels in the process of making a decision, searching for information, issuing a work plan;
- recruitment of staff and managers based on belonging to the same family, community (clan);
- underestimation of the time resource as the most valuable and time constraints of any processes, including communication;
- the activities of managers at lower levels of the hierarchy are subordinated to obligations to managers at higher levels of management.

Questions to control the study of the topic 1.

1. Management. Pharmaceutical management. Definition.
2. List the main stages of the development of management theory
3. List the Basic laws of management
4. List the principles of modern management.
5. List the tools of modern management.
6. What levels of management exist in the modern management system?
7. What general functions does each manager perform?
8. What private functions does the pharmacy manager perform?
9. What methods are used in modern management?
10. What management models by country and continent do you know?