

Management Philosophy in Family Business

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Abstract

In the literature, the industrial revolution is pointed to as the emergence point of management philosophy in enterprises. The beginning point of the industrial revolution is the development of the steam engine by James Watt (1736-1819). Using the magic power of steam in each mine and factory, the steam engine increased production and reduced total costs. Thus, the steam engine also started a chain of events that would enrich a country. It has reshaped all areas, especially the economy and working life. Human labor and simple hand tools have been replaced by machine power. Until this period, production took place in small workshops, while factories were established with the industrial revolution and many workers began to work together in indoor spaces. The traditional style of production has disappeared and it was switched to bulk manufacturing, which refers to fabrication production. New technical inventions have also led to an increase in production.

Key Words: Management Philosophy, Industry Revolution, Family Businesses, Management Theories.

1. Introduction

A large majority of enterprises appear in the form of a family business at the stage of establishment. Each newly established family business contributes greatly to the economy, production, trade, exports and employment. In the literature, when a family business is mentioned, it is stated that “the vast majority of the company's shares are owned by a family and the management is shared by members of the same family” (Köse, 2010; Yolaç & Doğan, 2011). In other words, share ownership and administrative management in family businesses consist of the same people. In particular, more than 50% of the capital share of the enterprise is in the same family (Uysal, 2014).

Especially, it begins in the form of partnerships between the father-son, paternal uncle, maternal uncle, aunt and brothers. This is why family members act together in family businesses.

Face-to-face communication is strong. Family members develop common attitudes, values and beliefs in management together with the establishment of the business. In general, the strengths of family businesses consist of a long-term perspective, motivation, commitment to work, family culture, flexibility, quick decision-making and the business knowledge of the entrepreneur who founded the family business in leadership, management, marketing and technical issues (Yolaç & Doğan, 2011). In family businesses, kinship relations are at the forefront.

Family businesses face a number of problems when operating in business life. The ones that stand out of these are as follows:

- Planning problems: Good planning should be done to use business resources efficiently, adapt to the external environment and create goals. Family business growth starts with planning (Moç, 2021).
- Institutionalization problems: Needs, duties, powers and responsibilities should be determined by managers in a family business. The issue of who will perform the work should be handled according to the abilities of the employees.
- Audit problems: Account receivable and debt balance, cash flow and expenses should be constantly checked. For an efficient and effective control mechanism, the family business should receive external audit services.
- Management problems: There may be conflicts and disagreements between the generations at the administrative level. This situation among members is one of the main disadvantages of family businesses (Akça, 2010). The crowded working environment will also turn the family business into an unpleasant place. Excessive decentralized attitudes in family business management will make management weak (Akkaya, 2021).
- Nepotism: Family businesses become a place of employment for relatives over time. In this practice, factors such as skills, abilities and training are not taken into account. Thus, the working order in the family business is negatively affected. It encourages the cease of employment by reducing job satisfaction and commitment to the workplace.

In addition, autocratic rules for employees and financial difficulties encountered in commercial activities are other weaknesses (Yolaç & Doğan, 2011).

Like any business, family businesses aim for growth, continuity, employment and profitability (Gazioğlu & Oralhan, 2021). For these goals to be achieved, the family business must be managed correctly:

- Management should be structured in accordance with changing economic, technical, environmental and competitive conditions.
- The decision-making mechanism should be established as required by the work and the management and partnership structures should be separated from each other (Aslan, 2021).
- Duties instead of persons should be brought to the forefront when carrying out economic activities in family businesses. Qualifications, powers and responsibilities and working conditions should be determined in advance (Yolaç & Doğan, 2011).

On the other hand, due to factors such as economic crises, globalization, technological advances and intense competition, family businesses are facing new problems that are increasing day by day. If problems are not solved in time and new problems are not prevented, the commercial life of the enterprise is at risk. It will be difficult to adapt to organizational change and the environment.

As a result of the stated situations and risks, the practice of management philosophy is required in the family business. Management philosophy plays an important role in maintaining the existence of family businesses for generations and in business success. Against the problems experienced in family businesses, managers should utilize different management practices involved in the management philosophy. In solving problems, people should not stick to the boss. Decision-making power should be shared with other managers.

In this study, the creation and application of management philosophy is recommended as a solution to the management problems experienced in family businesses. Within the scope of the transition to management philosophy, mission and vision statements that include management principles and shared values should be created (Yolaç&Doğan, 2011) and rules should be set independently of individuals. The management philosophy will affect the strategic decisions taken in family businesses, the policies that will be followed and the business goals. Transferring the understanding of management in family businesses to future generations will occur by setting the management philosophy in the business. Therefore, the internalization of management philosophy in Turkish family businesses is of great importance.

This is called the application of new management techniques that constitute the content of post-modern management theory to the family business (Akça, 2010). For example, post-modern new management approaches such as total quality management, six sigma, benchmarking, reengineering of business processes, organization development, downsizing, outsourcing, lean management, strategic partnerships, learning organization, staff empowerment, virtual organization, organizational change, innovation management and matrix organization are in question. Of these approaches, those that are suitable for the business structure should be adapted.

Thanks to the management philosophy approaches that will be applied throughout the family business, a competitive and appropriate business structure will be formed in accordance with the changing environment. The business will grow and achieve its goals.

2. Philosophy

The origin of the term philosophy is derived from the Greek words philo (love) and sophia (wisdom). It means love of wisdom. A philosopher is a person who loves and seeks knowledge. When philosophy is mentioned, critical, systematic thought activity based on reason is expressed about existence, knowledge and values.

The interests of philosophy are issues such as the nature of existence, the categories of existence and causality. It explores the source, boundaries, basis and accuracy of knowledge. It examines all kinds of values, especially ethics and aesthetics.

Through philosophy, a person knows himself. He tries to comprehend the truths of objects. Philosophy also regulates a person's behavior and directs his life. Philosophy explores all these through thought. A person is never content with what he knows.

A human is a multidimensional being that explores, questions and seeks the truth, and seeks to satisfy spiritual and mental curiosity and needs. Every thinking person philosophizes. He learns different approaches and opinions for problems. In this way, he develops the ability to think.

Values and thoughts form the production of philosophy. These affect a person's life and activities. Philosophy, in particular, covers the understanding of human existence, the semantic world and individuality. Thus, philosophy directly affects human life and social institutions. Therefore, philosophy brings a critical view to man's thoughts, beliefs and actions.

Thanks to critical thinking, the accuracy, reliability and validity of the views put forward are logically resolved. The belief, value, emotion, or motivation on which thought is based arises. Whether the thought put forward contains bias and its general scope and reasoning logic are illuminated.

Philosophy also provides awareness of preconception, prejudice, opinion and personal beliefs. The prerequisite for free access to knowledge of the truth is to become aware of these elements, question them critically and try to illuminate them. Therefore, the activity of philosophy increases human happiness as a mental endeavor.

The person passes what is passed on to him through the filter of criticism. It contributes to the ability to defend the knowledge and values that he believes are correct on their own grounds. So, he approaches each point of view in the same way.

As a result, philosophy naturally leads people to more reliable thoughts and views, as it develops the ability to think critically. The right thought is always desirable. It gives power and reputation to those who have it. Philosophy also satisfies a person's feelings of curiosity and amazement about the world. For example, what is the purpose of life? What is the greatest thing for Man? What could be an ideal community order? Is human behavior determined by previous events and behaviors? Can you know what's going on in other people's minds? These questions asked by the philosopher can only be solved by philosophical methods. A holistic view of humanity is obtained through the philosophical view. The integrative feature of philosophy is related to its questions which are different from other sciences and the answers it brings to them. For example, what is man's place in the universe? How is there a relationship between entity types? These questions can be answered from a holistic point of view about entity and man (Yazıcı, 2011).

3. Management Theories That Establish the Philosophy of Management

When it comes to management, the activity of getting others to do work is understood (Türengül, 2005; Esmer & Elmalı, 2021). Everywhere there are humans, there is also management. Thanks to management, the activities that need to be carried out within the enterprise are carried out by personnel. All management theories that guide the thoughts and behaviors of managers are called management philosophy.

In the field of management philosophy, the historical process begins with classical management theory, followed by neoclassical management theory. Later, with modern and post-modern management theories, the process extends to today (Keskin, 2020).

All the management theories in question have made significant contributions to the development of management philosophy. With the continuous development of economic activities, different management theories have emerged. The aim of management theories is to ensure that components that make up the business come together in the most effective way.

Knowledge gained from theories creates a roadmap for managers and helps to solve the encountered management problems. Developed management theories explain the adaptation of the business to change and provide solutions to the encountered problems. To be a good manager, knowing management philosophy is one of the basic competencies. When the management theories put forward so far are grouped, they are known as (Nişancı, 2015):

- 1) Classical Management Theory between 1900 and 1930,
- 2) Neoclassical Management Theory between 1930 and the 1960s,
- 3) Modern Management Theory between 1960 and the 1980s,
- 4) Post-modern management theory since the 1980s.

3.1. Classical Management Theory

The concept of classic means that value is not lost, even though much time has passed. The pioneers of the classical management theory approach are Taylor, Fayol and Weber. Classical management theory treats employees as “rational people” and business as a “technical system” (Saruhan, 2014).

Classical theory in itself includes three approaches. The first is the scientific management theory mentioned in Frederick Taylor's 1911 book “The Principles of Scientific Management” published in the USA. The second is the management process theory proposed by Henry Fayol in his book “General and Industrial Management” published in 1916. Finally, the bureaucratic management theory expressed by the German sociologist Max Weber in his work “Social and Economic Organization” published in 1924, is the third.

They proposed to act in accordance with the principles and rules established in the administration of business activities. The aim is to enable businesses to perform better in line with activity and efficiency targets (Nişancı, 2015; Bakkalbaşı, 2017).

According to classical management theorists, business is self-sufficient. Classical management theory considers business to be a closed system. It provides solutions to problems within the boundaries of the business. It doesn't integrate with the surroundings. The only issue of importance is a standard performance involving technical skills (Ener, 1983). It considers the human as a robot and suggests fitting him into the work. The employees running the machines are assumed to be passive. The worker must finish his job with the least number of errors. Authority, responsibility and power should be collected in one person and the area of control should be limited.

3.1.1. Taylor's Scientific Management Approach

Frederick Taylor (1856-1915), defined business standards by establishing planning and control mechanisms in this theory. He divided the work into its components by making time and motion measurements. He determined the quantity that a worker should produce effectively and efficiently. He encouraged the rewarding of outstanding workers. He developed standard procedural practices and simplified the way works are done. Thanks to his business designs, he prevented unnecessary labor and time-wasting (Ener, 1983; Nişancı, 2015). He grouped business activities which are planning, organizing, commanding, coordinating, and controlling. He suggested specialization in business. He drew attention to issues of selection of employees suitable for work, the training of workers, promotion, and the division of labor (Ekinçi, 2019). All work had to be planned and programmed. Then the wage system had to be established. For this, Taylor developed the piece wage system (Nişancı, 2015). Activities had to be continuously controlled. Through the performance of control, planned works were compared with performed works. The scientific management method did not pay attention to other components that affect behavior (Ener, 1983).

The scientific management theory established the principles to be followed in management. There are three principles set forth by Taylor (Türengül, 2005):

- New methods must be developed to do a job in the most efficient way,
- Employees should be encouraged to do the work quickly, and
- Working conditions must be regulated.

3.1.2. Fayol's Management Process Approach

Henry Fayol (1841-1925), advised how a good business structure should be established, emphasizing that management is universal, but did not take into account the condition of employees. In the process of business management. Fayol classified the activities into six groups. These are technical applications relating to production and manufacturing, buying, selling and exchange, financial applications, protection of property and persons, accounting and managerial applications (Saruhan, 2014). This classification, made by Fayol, also constitutes the management process. According to him, organizational activities should be organized rationally, general principles should be established and efficiency and productivity should be increased (Keskin, Akgün & Koçoğlu, 2016).

The principles that Fayol points out in his approach are as follows (Saruhan, 2014):

- A chain of command must be established within the discipline,
- A bottom-up information flow must be carried out,
- Unity of command and division of labor should be ensured with the equality of competency, responsibility and authority,
- Equality between employees, team spirit and initiative use should be established, communication should be facilitated, reward and wage motivation should be ensured.

3.1.3. Weber's Bureaucratic Management Approach

Max Weber (1864-1920) argued that the bureaucratic management theory creates the most effective and ideal structure in enterprises according to the principles of efficiency, productivity and rationality (Yıldırım, 2014). The bureaucratic organizational structure and types of authority were examined. The goals of the enterprise were determined in advance and a structure based on systematic, planned and formal rules was established.

Thanks to concrete goals, corporate performance is determined in advance and executive success is objectively evaluated (Saruhan, 2014). The main features of bureaucracy cover authority, hierarchy, division of labor, expertise, formal business processes, rules, responsibilities, records and control (Ekinçi, 2019; Keskin, Akgün&Koçoğlu, 2016).

As the manager uses his authority in accordance with laws and regulations, employees know what they face when they do their duties right or wrong. But they cannot suggest personal opinions and assessments. This can cause employees to resemble robots over time. As information is constantly saved, files are securely stored. Each subordinate works under a superior according to a hierarchical chain. The organization resembles a well-designed machine for the fulfillment of tasks undertaken in line with set goals (Saruhan, 2014).

General principles of bureaucracy are as follows (Türengül, 2005):

- The powers and responsibilities of the employees are determined and the division of labor occurs,
- Positions and formal administrative activities are organized according to the hierarchy, and
- The tasks and abilities of people are harmonized with functional expertise.

3.1.4. General Principles of Classical Management Theory

Based on all three approaches in classical theory, an answer is sought to the question, How can corporate performance and therefore revenue growth be ensured? The answer is with the application of general principles that apply everywhere. The general principles that classical theory asks business management to consider are as follows (Saruhan, 2014; Ekinci, 2019);

- 1) Management should be divided into three levels: upper, middle and lower tiers. In this case, communication occurs from top to bottom in the form of a chain of command. Decisions are made by senior management. No suggestions are taken from the lower tier.
- 2) Profitability, efficiency, productivity and performance should be increased in enterprises. The best formal organizational structure and general management activities should be organized to ensure this. Thus, detailed business procedures and techniques are clearly defined. Issues of structure, general principles of the best organization, management and authority relations, which are valid everywhere, are primarily covered.
- 3) The formal organizational structure is valid. The rules must be compelling to employees. The division of labor and communication should be emphasized. Employees behave rationally and are motivated by wages.
- 4) Authoritarian leadership is valid. The manager alone makes decisions with centralized management. He/she controls workers and employs workers according to standards.
- 5) There is no significant interaction between the business and its surroundings.

3.1.5. Classical Business Design

According to classical management theory, the process of designing an enterprise includes the following stages (Koçel, 2011; Saruhan, 2014):

- 1) Aims are determined by using scientific methods.
- 2) Works that will achieve the goals are determined. Complex movements are removed.
- 3) Jobs are divided into standard practices to ensure expertise. Positions and cadres in each department are created.
- 4) Suitable personnel are selected and trained. An incentive fee and a piece wage system are implemented.

3.2. Neoclassical Management Theory

The term neoclassical means something that has not been considered before. It sets out by making the emotional human element a focal point, which is the missing aspect of classical management theory (Nişancı, 2015). Relationships between the business environment of the enterprise and human behavior have been studied. Behaviors change depending on motives and the social environment affects employee behavior (Ener, 1983; Nişancı, 2015). This is superior to rules and regulations.

Neoclassical management theory treats business as a social system (Saruhan, 2014). Business, as a social system, has three elements: technical, manpower and material. The concepts on which the theory focuses are the objectives of the enterprise, human behavior as individuals or groups, abilities, communication, perceptions, leadership, participation in decisions, motivation, audit, job satisfaction and the needs and characteristics of social groups (Türengül, 2005). Employee behavior in the organization is thus investigated. The business is treated as a community of different people. The first task of the manager is to establish a social organization. Working conditions, management style and employee commitment are effective in increasing productivity (Ener, 1983).

3.2.1. Hawthorne Research

In 1930, the relationship between working conditions and efficiency was investigated at the Western Electric Company's Hawthorne plant. These experiments marked the beginning of the neoclassical approach. It emerged that business is a social system and that the human element should be emphasized. It drew attention to the importance of social relationship factors rather than the physical working conditions of the workplace.

The importance of non-formal organization has been pointed out (Saruhan, 2014). Factors that are effective in increasing production and productivity are the motivation of workers, the form of supervision, job satisfaction and cooperation between employees (Keskin, Akgün&Koçoğlu, 2016). Social and psychological factors mainly affect the production levels of workers (Koçel, 2011). The most important element of the organization is human. The behavior of individuals within the enterprise is determined by the fact that they are members of the group rather than what the formal structure assumes.

3.2.2. Theory-X and Theory-Y of Douglas McGregor

Douglas McGregor (1906-1964), published his book “The Human Side of Business” in 1957. He developed Theory-X and Theory-Y based on how managers perceive and view other people. Accordingly, managers have properties that can be summed up under the title Theory-X and Theory-Y. Managers' assumptions about their employees also determine their behavior towards their employees (Keskin, Akgün & Koçoğlu, 2016).

The human behavior of managers with the property of Theory-X is based on the assumptions of classical management theory. These are as follows; people don't like to work, they want to get out of work as much as possible, they escape from responsibility, their own safety is privileged and it is necessary to encourage, reward, force, supervise and punish them to make them work.

The assumptions of managers with Theory-Y characteristics about human behavior cover neo-classical management theory. These are as follows; a person works with pleasure when the necessary setting and job satisfaction are ensured, employees do not escape from work and responsibility (Keskin, Akgün & Koçoğlu, 2016) and employees can contribute to the goals of the organization by managing themselves (Koçel, 2011).

3.3. Modern Management Theory

The inability of classical and neoclassical theories to solve business problems has led to the need to develop new approaches in this field. Modern management theory has also addressed the shortcomings of previous theories. It has brought a new perspective to management problems.

This theory consists of two approaches called the system approach and the situational approach.

At the heart of these approaches is the belief that a business should be divided into its individual elements. Each of these elements should be examined in detail. Then, the enterprise must be reconstituted as a whole by synthesis. The “essence” of the whole enterprise is thus understood. As a result of such an approach, applications that will allow the enterprise to achieve its goals are implemented (Saruhan, 2014).

3.3.1. System Approach

The aim of this approach is to evaluate management events along with other events and external environmental conditions (Koçel, 2011). A structure, which has a unique functioning of its elements that make up the whole and interaction between them and communicates with the environment, is called a system (Nişancı, 2015).

To understand a system, it is necessary to know its subsystems and their interaction with the system. The system receives a wide range of inputs from the environment and converts them into outputs that the environment wants, then gives them to the environment again.

In this approach, the business is a system in the environment in which it lives together with functions such as marketing, production and accounting. Subsystems within the system both continue their activities and make certain contributions to the whole. Managers will take into account the relationships between business units, employee behavior and external environmental conditions through the system approach. This is because various situations are also related to other events.

Subsystems that make up the parts contribute to the main system. The purpose of the whole occurs only if these subsystems achieve their goals. Understanding, intervention and control of the system are only possible by understanding the subsystems and their relationships. A change that occurs in one of the subsystems affects the others. It's the whole that matters. The system and the environment are in a constant relationship. The system is affected by and affects the external environment. Thus, the adaptation of the enterprise to change occurs. Each business is a sub-part of the environment (Ener, 1983). The elements of the system in the enterprise cover the inputs, processes, outputs and feedback.

3.3.2. Situational Approach

The point of action in the manager's better decision-making is the current situation (Nişancı, 2015). When making a decision, the conditions of the business in a certain situation should be taken into account. In the situational approach, the business structure is shaped by the relationships between a large number of dependent internal conditions and independent external conditions. Therefore, there is no best organizational structure that applies everywhere (Koçel, 2011). The best structure varies from state to state. Different techniques should be used together to succeed in management. Factors of organizational structure that make up internal conditions are activities, motivation, business size, technical knowledge, used technology, characteristics, and goals of managers and staff. External conditions consist of environment, customers, competition, government and market factors. Each of these individually or together, has the potential to differentiate the situation. As a result of the analysis of internal and external characteristics, the optimal structure will be revealed. The most important contribution of the situational approach to business management is flexibility (Saruhan, 2014).

The used technologies can also determine the organizational structure. For example, a study conducted in the UK on behalf of the Tavistock Institute in the 1950s indicated that the change in coal extraction technology affected organizational structure and functioning (Nişancı, 2015). Therefore, there is no best organizational structure that applies everywhere under all circumstances. Managers should develop different methods for solving problems according to the characteristics of the current situation (Nişancı, 2015), ensuring the best harmony between technical and social systems (Keskin, Akgün & Koçoğlu, 2016).

3.4. Post-modern Management Theory

There are many management practices in globalization and a dynamic environment. The basic thought of approaches involved in modern management theory covers the differences encouraging innovation, technological advances, continuous learning, quality, competition, customer satisfaction, organizational performance success and strategic management (Nişancı, 2015). The goal is to achieve the highest quality products at the least cost, to maximize income and minimize expenses and to create a working environment without a hierarchy (Saruhan, 2014).

Prominent approaches in post-modern theory include;

- Total quality management,
- Benchmarking,
- Reengineering,
- Organization development,
- Downsizing,
- Outsourcing,
- Innovation management,
- Lean management,
- Strategic partnership,
- Learning organization,
- Empowerment,
- Virtual organization,
- Organizational change,
- Six Sigma,
- Matrix organization.

3.4.1. Total Quality Management

This became widespread in the 1990s. One of the main issues of business administration is quality. A generally accepted quality definition is the degree to which the goods and services purchased by the customer comply with the specified standards and meet the need. Total quality management (TQM) is the continuous improvement of supplier and customer relations, marketing and production activities and relations between employees and management.

TQM is provided by the Deming cycle (Saruhan, 2014) with phases as follows:

- **Planning phase:** The problem is defined. The causes of the problem are determined and appropriate measures are put forward.
- **Implementation phase:** The plan to be considered is applied.
- **Control phase:** The results of the implementation of the plan are evaluated as a success or failure.
- **Prevention phase:** Corrective measures are taken when the outcomes fail. If the outcomes are positive, this becomes a guide for advanced stages. These are standardized. Since the cycle is continuous, it is switched to solving new problems through the replanning phase. Small but continuous improvements are continued.

3.4.2. Benchmarking

Benchmarking is the process of comparison with the best enterprises operating in a similar field to achieve higher corporate performance (Türengül, 2005; Saruhan, 2014). The business observes its competitors by comparison. It adapts difference-making applications to its structure. In this way, costs are reduced and efficiency, productivity and quality are increased. Better customer service, environmental adaptation and competitive superiority are achieved. Specific topics and methods that lead to success are identified.

3.4.3. Reengineering

This term refers to the fundamental redesign of business processes in critical performance metrics such as cost, quality, service, distribution, flexibility, job satisfaction and speed (Saruhan, 2014). Thus, all business processes, the organizational structure, tasks and values, management system, technology, human resource policies and awards are reshaped. Things are reconsidered from start to finish to find better ways to do works. After implementation, unnecessary jobs and processes are eliminated. Radical changes are made to the business.

3.4.4. Organization Development

Organization development adapts to new technologies and markets by changing the entire structure of the organization. The organizational culture, technology and processes are changed to increase the ability of the organization to solve problems and achieve its goals in a short time.

3.4.5. Downsizing

This is a reduction of the number of staff, costs and business processes (Türengül, 2005). The downsizing of the organization affects sales volume, market share, production capacity, the number of personnel, structure and functioning. Cumbersomeness, idle capacity, high cost and low productivity situations resulting from excessive differentiation reduce competitiveness. Auditing the business becomes difficult. The method used to overcome all these problems is downsizing. At the end of the downsizing process, the hierarchy chain of the enterprise and the number of departments are reduced (Saruhan, 2014) and costs are limited.

3.4.6. Outsourcing

When a business achieves the core capabilities that make it superior to its competitors and buys other service activities from specialized enterprises, it is called outsourcing (Saruhan, 2014). Jobs, which increase the business income or reduce the expenses, thus enhancing the level of performance, are also the main talent. Businesses collaborate in complementary ways. Costs and competition are the driving force of outsourcing (Saruhan, 2014).

3.4.7. Innovation Management

Innovation management is the process of transforming ideas into product and service applications and putting them on the market in a commercial way (Saruhan, 2014). There are three stages in the concept of innovation. The first is to generate ideas. The second is to develop the produced idea. The third is to implement the produced innovation. A product or service that is considered new is converted into commercial value.

3.4.8. Lean Management

The elimination of activities that do not create added value in the enterprise is called lean management (Türengül, 2005). The business acquires a flexible structure that can respond to customer requests more quickly thanks to simplification. In order to achieve this, the factors that will create "added value" are first determined. Then all unnecessary elements are removed. Businesses move away from unnecessary transactions and processes. Cost advantage, superiority over competitors and ability to react quickly to changes are gained (Saruhan, 2014).

3.4.9. Strategic Partnership

In a strategic partnership a business enters markets and creates cooperation with other businesses in global competition (Saruhan, 2014). Today, no business alone has the resources needed to compete. At this stage, each business contributes to the tasks it undertakes in the general system. Thanks to the activities that companies perform together, new expertise will emerge and the earning potential will increase.

3.4.10. Learning Organization

A learning organization is a business that draws conclusions from the events it constantly experiences, uses these to comply with changing environmental conditions, transforms itself into a system that improves its personnel, and thus constantly renews itself (Saruhan, 2014). Knowledge and performance are combined. Changes are made in the behavior of employees. An environment is prepared that will allow new information. Business staff members learn from their experiences and share new information. Adopting new ways of doing business with new ideas and developing new products increase competitiveness. The achieved results are turned into organizational information and used to solve problems.

3.4.11. Empowerment

Employee training through teamwork and the contribution of personnel to improve product quality, efficiency, decision-making processes and business competitiveness are called staff empowerment (Türengül, 2005). The authority of personnel to solve problems is increased with helping, sharing and teamwork (Saruhan, 2014). Employees' commitment to the workplace, knowledge, skills and motivation levels are increased. Through empowerment, the person who does the job is also made the owner of the job.

The right to choose relating to the job belongs to the person who does the job. The task of the manager is to create the necessary environment and find the resources so that the person who does the job can do his job better. The starting point of empowerment is to use the expertise and knowledge of the staff who actually do the work, see the opportunities and make the necessary decisions.

3.4.12. Virtual Organization

This is a business in which enterprises in different places take part in certain stages of the production of a product or service and provide goods and services to their customers in constant communication with computer facilities. It is a network of independent suppliers where information technologies are used to combine capabilities. Digital economy activities are carried out using cyber (virtual) technology, for example, the buyer and seller meet in virtual markets (cyberspace) (Saruhan, 2014).

3.4.13. Organizational Change

Changing from existing activities to a different situation is called organizational change. People shift from an existing level of knowledge, skills, abilities and innovation related to the organization to another level. New ways of doing business are constantly being developed to make works cheaper, better quality and faster. Every problem is also considered to involve opportunities. Productive activities are rewarded and the fear of making mistakes is eliminated. Beliefs, attitudes and behaviors towards work are changed. Employees are allowed to share their thoughts and suggestions with each other.

3.4.14. Six Sigma

This is an approach aimed at improvements in the product, production process, administrative work and entire organization. The goal is to achieve maximum performance with zero errors. Six Sigma focuses on customer satisfaction to supply customer needs and expectations (Saruhan, 2014). It uses statistical analysis to achieve success and maintain itself at the highest level. It manages and improves business processes. The six sigma approach reduces loss and wastage costs, improves efficiency and productivity and reduces production time. It attempts to ensure the maximization of profit. According to the number and type of errors, the business process is given a sigma value. The highest sigma value in the standard deviation is 6, indicating that everything is going well. Low sigma values, such as one, two and three, indicate problems in business processes (Saruhan, 2014).

3.4.15. Matrix Organization

In this management technique, work is handled within the framework of project understanding. A project is a group of works with its own characteristics (Koçel, 2011). Matrix structures require the work of people belonging to a wide range of branches. The project manager is the only one responsible for the project. As a result of this situation, it is based on two separate types of structure (Koçel, 2011). Within the matrix organization, powers are distributed in terms of making decisions and implementing decisions. From these, the command authority creates a vertical relationship. In this way, expertise branches are applied to project work. The fact that the implementation of the project takes place in certain coordination and time refers to the horizontal relationship. Once the activities in the workgroup are done, the goal is realized.

4. Conclusion

The situation of family members sharing the ownership and management structure of a business is called a family business. When philosophy is mentioned, systematic thought activities on the issues of existence and knowledge based on reason are understood. Management is expressed as the process of bringing together the necessary resources in business activities and making others do business. All of the management theories that guide the behavior of business managers constitute the management philosophy. The emergence of management philosophy begins with the industrial revolution.

Classical management forms the first theory in management philosophy. This is followed by neoclassical management theory. Later modern and post-modern management theories follow.

Classical management theorists, in particular, have studied efficiency, productivity and the formal organizational structure and have considered people to be in the background. A person is a passive element who does what he is told. The task of management is to create the best business structure by bringing together all elements of the business in accordance with the principles. A person will behave like a machine (robot) in this structure.

The growth of enterprises over time has made classical management theory inadequate. Thus, neo-classical management theory has brought a different perspective. This management theory has added the human element to the material and technical dimensions of the enterprise. According to neo-classical theory, the manager establishes the business as a social structure. Human behavior, groups, motivation, participation in decisions, job satisfaction and commitment to the workplace has been examined.

Due to the areas where both theories were insufficient in understanding enterprises, modern management theory was developed. The aim is to examine the business within its own conditions and environment. All variables affecting the business were taken into account together. Thus, a holistic management approach was realized.

Today, different approaches to business management continue to be developed all over the world. Each of the current management approaches also constitutes the content of post-modern management theory. The concept of post-modern means breaking with tradition. The important thing is that differences create wealth. In post-modern management theory, bureaucratic and formal structures have been replaced by informal groups based on the individual. The concepts of dynamic environment, globalization, communication, internet, technology and competition are the infrastructure of post-modern management theory.

In conclusion, the theories developed within the scope of management philosophy enrich the management tools that managers can use and increase their knowledge in the business literature.

5. References

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