

## Managing: Science or Art

Managing is doing things in the light of the realities of a situation. Yet, managers can work better by using the organized knowledge about mgmt. It is this knowledge that constitutes a science. Thus, managing as practice is an art; the organized knowledge underlying the practice may be referred to as a science. In this context science & art are not mutually exclusive; they are complementary.

## The Evolut<sup>n</sup> of Mgmt Thought & the Patterns of Mgmt Analysis

### Frederick Taylor & Scientific Mgmt

Taylor is generally acknowledged as the father of scientific mgmt. Probably no other person has had a greater impact on the early development of mgmt. His experiences as an apprentice, a common labourer, a foreman, a master mechanic, & then the chief engineer of a steel company gave Taylor ample opportunity to know first-hand problems & attitudes of workers & to see the great possibilities for improving the quality of mgmt.

Taylor's famous work entitled "The Principles of Scientific Mgmt" was published in 1911. The fundamental principles that Taylor saw underlying the scientific approach to mgmt are as follows:

1. Replacing rules of thumb with science (organized knowledge)
2. Obtaining harmony in group action, rather than discord
3. Achieving cooperation of human beings rather than chaotic individualism.
4. Working for maximum output, rather than restricted output.
5. Developing all workers to the fullest extent possible for their own & their company's highest prosperity.



Name & Year of Major Work	Major Contribution to Management
<p>Fredrick W. Taylor</p> <p>Shop Management (1903)</p> <p>Principles of Scientific Management (1911)</p> <p>Testimony before the Special House Committee (1912)</p>	<p>Scientific mgmt</p> <p>Acknowledged as "the father of scientific mgmt". His 1<sup>st</sup> concern was to increase productivity through greater efficiency in product &amp; increased pay for workers, through the app. of scientific method. His principles emphasized using science, creating harmonious &amp; cooperative, achieving max. output &amp; developing workers.</p>
<p>Henry L. Grant (1901)</p>	<p>Called for scientific select<sup>n</sup> of workers &amp; "harmonious cooperat<sup>n</sup>" b/w labor &amp; mgmt. Developed the Grant chart. Stressed the need for training.</p>
<p>Frank &amp; Lillian Gilbreth (1900)</p>	<p>Frank is known primarily for his time &amp; motion studies. Lillian, an industrial psychologist, focused on the human aspects of work &amp; the understanding of workers' personalities &amp; needs.</p>
Modern operational mgmt theory	
<p>Henri Fayol</p> <p>Administrat<sup>n</sup> Industrielle et Générale (1916)</p>	<p>Referred to as "the father of modern mgmt theory". Divided industrial activities into 6 groups: technical, commercial, financial, security, accounting, &amp; managerial. Recognized the need for teaching mgmt. Formulated 14 principles of mgmt, such as authority &amp; responsibility, unity of command, scalar chain, &amp; esprit de corps.</p>
Behavioural Sciences	
<p>Hugo Münsterberg (1912)</p> <p>Walter Dill Scott (1901, 1911)</p> <p>Max Weber (translations 1946, 1947)</p> <p>Vilfredo Pareto (books 1896-1917)</p> <p>Elton Mayo &amp; F.J. Roethlisberger (1933)</p>	<p>App of psychology to industry &amp; mgmt.</p> <p>App of psychology to advertising, marketing &amp; personnel</p> <p>Theory of bureaucracy</p> <p>Referred to as "the father of the social systems approach" to organizat<sup>n</sup> &amp; mgmt. Famous studies at the Hawthorne plant of the Western Electric Company.</p> <p>Influence of social attitudes &amp; relationships of</p>



most gaps on performance

## Systems theory

Chester Barnard  
The Functions of the Executive  
(1938)

The task of the manager is to maintain a system of cooperative efforts in a formal organization. He suggested a comprehensive social systems approach to managing.

Emergence of modern mgmt thought & recent contributors to mgmt  
Major contributors include Charles ~~Argyris~~ Argyris, Robert R. Blake, Chester Chusichman, Ernest Dale, Keith Davis, Mary Parker Follett, Frederick Herzberg, G.C. Homans, Harold Koontz, Rensis Likert, Douglas McGregor, Abraham H. Maslow, Lyman W. Porter, Herbert Simon, George A. Steiner, Lyndall Urwick, Norbert Wiener, & Joan Woodward.

Peter F. Drucker (1974)

W. Edwards Deming  
Caplan World War II

Very prolific writer on many general mgmt topics.  
Introduced quality control in Japan.

Laurence Peter (1969)

Observed that eventually people get promoted to a level where they are incompetent.

William Ouchi (1981)

Discussed selected Japanese managerial practices adapted in the U.S. environment.

Thomas Peters &  
Robert Waterman (1982)

Identified characteristics of companies they considered excellent.

## Fayol, the Father of Modern Operational Mgmt Theory

He recognized a widespread need for principles & mgmt teaching. Consequently, he identified 14 such principles. Some of them are,

1. Authority & responsibility:- Fayol suggests that authority & responsibility are to be related. He sees authority as a combination of official factors & personal factors.
2. Unity of Command:- This means that employees should receive orders from 1 superior only.
3. Scalar Chain:- Fayol thinks of this as a "chain of superiors" from the highest to the lowest ranks, which should be short-circuited when to follow it scrupulously would be detrimental.
4. Esprit de Corps:- This is the principle that "in union there is strength" as well as an extension of the principle of unity of command, emphasizing



the need for teamwork & importance of communication in obtaining it.  
Elton Mayo & F. Roethlisberger & the Hawthorne Studies

Elton Mayo, F.J. Roethlisberger, & others undertook the famous exps at the Hawthorne plant of the Western Electric Company b/w 1927 & 1932. Earlier, from 1924 to 1927, the National Research Council conducted a study in collaborat<sup>n</sup> with Western Electric to determine the effects of illuminat<sup>n</sup> & other condit<sup>ns</sup> on workers & their productivity. Finding that when illuminat<sup>n</sup> was either increased/decreased for a test grp, productivity improved, the researchers were about to declare the whole exp. a failure; however, Elton Mayo, of Harvard, saw in it something unusual & , with Roethlisberger & others, continued the research.

What Mayo & his colleagues found, ~~it~~ was to have a dramatic effect on organt thought. Changing illuminat<sup>n</sup> for the test grp, modifying rest periods, shortening workdays, & varying incentive pay systems did not seem to explain changes in productivity. Mayo & his researchers then came to the conclusion that other factors were responsible for it. They found that the improvement in productivity was due to such social factors as morale, satisfactory interpersonalships b/w members of a work grp & effective mgmt. This phenomenon, arising basically from people being "noticed", is known as the "Hawthorne effect".

31/1/20

Early Behavioural Model - McGregor's Theory X & Theory Y

Theory X

- \* Avg human beings have an inherent dislike of work & will avoid it if they can.
- \* Because of this human characteristic of disliking the work, most people must be controlled, directed & threatened with punishment to get them to put forth adequate effort towards the achievement of organizational objectives.
- \* Avg human beings prefer to be directed, wish to avoid responsibility, have relatively little ambition & above all want security.

Theory Y

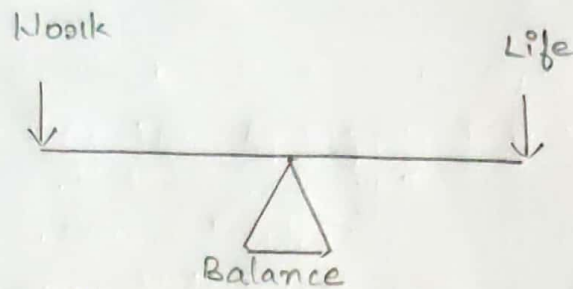
- \* Theory Y is based on psychological needs of employees.
- \* Employees involved in brainstorming & decision making get satisfied from the work.



## Theory Z - William Ouchi

Increasing employee loyalty to the company by providing a job for life with a strong focus on the well-being of the employee both on & off the job.

Work vs Life:-



High productivity & High employee morale/satisfaction.

## Corporate Social Responsibility

- \* Company is socially accountable to itself, stakeholders & the public.
- \* Companies have to be conscious of the kind of impact they are having on all aspects of society including economic, social & environment.

## CSR Programs

- \* Philanthropy - The desire to promote the welfare of others, expressed especially by the generous donation of money to good cause. Donating money & other voluntary efforts can benefit society & help in boosting their brands.

- \* Company Participation required:-

Customers, Suppliers, Environment, Community & Employees

- \* Water, Sanitation, Healthcare, Education & Vocational Training are typical CSR activities

## Managerial Ethics

Set of moral principles or beliefs that affect the behaviour of employees. Doing the right thing for employees & customers & demonstrating the willingness to take part in CSR.

- \* Compensation & Benefit packages
- \* Community Involvement
- \* Corporate Giving

## Types

## Legal Issues

- \* Rules & Regulations for a company.

## Moral Issues

- \* Given a safe work environment & fair salary/pay structure
- \* Managers are expected not to break the laws by ~~harassing~~ ~~or harassing~~ the employees or infringing on other person's rights
- \* Customers enjoying that good feel factor from the companies after their complaints are attended well.