

# **VARIOUS APPROACHES TO MANAGEMENT**

XIME






# PRE-CLASSICAL APPROACH

# Pre Classical Approach

- ▶ Pre Classical Theorist developed specific techniques to solve some identified problems and integrated management with their respective areas of specialization

## CONTRIBUTORS :

- ▶ **Robert Owen** – Pioneer of human research management  
Advocated the welfare of workers
  - ▶ **Charles Babbage** – Inventor and management scientist  
Built the practical mechanical calculator  
Showed the necessity of profit sharing
  - ▶ **Andrew Ure** – Emphasized the necessity of management education
  - ▶ **Henry Robinson Towne** – Emphasized the significance of business skills
- 

# CLASSICAL APPROACH



# BUREAUCRATIC APPROACH

Lays emphasis on authority structures & description of organization.

Treats the organization as a closed system.

Based on practicing and experience of managers, principles are developed.

Formal education and training is emphasized for developing managements skills

Emphasis on economic efficiency and formal structure.






## ▶ MERITS

- ▶ Offers convenient framework for education & training.
- ▶ Helpful for drawing common principles out of past experiences.
- ▶ Focuses attention on what managers actually do.
- ▶ Provides scientific basis for management practice.
- ▶ Highlights the universal nature of management.

## ▶ SHORTCOMINGS

- ▶ Strict adherence to rules & regulations of the organization .
  - ▶ it undermines the role of human factor.
  - ▶ It is viewed as a closed system having no interaction with the environment.
  - ▶ Relying too much on past experiences is bad.
  - ▶ The total reality, in case studies, is absent.
- 

# ADMINISTRATIVE APPROACH

Henry Fayol “ Father of Administrative Management Theory” explained management in terms of 5 functions namely,

Planning, Organizing, Commanding, Co-ordinating and controlling.

Fayol’s general principles of management

Division of Work	Authority & Responsibility
Discipline	Unity of Command
Unity of Direction	Subordination of individual to general interests.
Remuneration	Centralization
Scalar Chain	Order
Equity	Stability of Tenure
Initiative	Esprit de Corps (“Team Strength”)

## CRITICISMS:

- ▶ Theory said to be too formal.
- ▶ Did Not pay adequate attention to

# SCIENTIFIC MANAGEMENT

Concerned with knowing exactly what we want men to do and see that they do it in the best and the cheapest way possible.

Frederick Winslow Taylor “Father of Scientific Management” came up with this during the Industrial Revolution.

Elements and Tools of Scientific Management

Time and Motion Study	Separation of Planning and doing
Job Analysis	Standardization
Scientific Recruitment & Training	Financial Incentives




## MERITS:

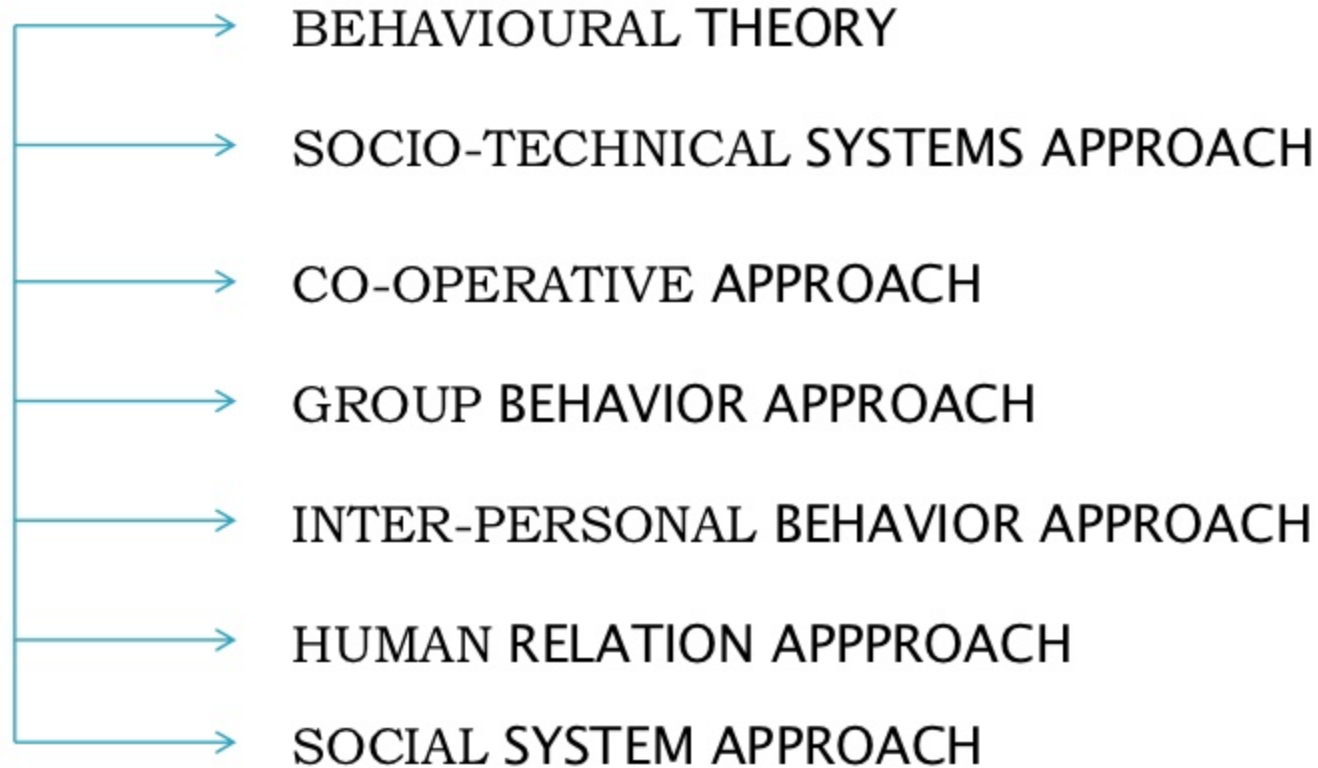
Tools and physical activities in a job can be better balanced and organized

Comprehends how important scientific selection of workers is and comprehended that a person cannot do a job properly without capability and training.

It encourages managers to seek the “one best way” of doing a job.



# NEO-CLASSICAL



# BEHAVIOURAL THEORY

- The behavioral school of management emphasized what the classical theorists ignored – the human element.
- Behavioral theorists viewed organization from individual's point of view.
- It emphasizes individual attitudes and behaviors and group processes, and recognized the significance of behavioral processes in the workplace.

## DE-MERITS

Often not integrated with management concepts, principles, theory and techniques. Need for closer integration with organisation structure design, staffing, planning and controlling



# SOCIO TECHNICAL SYSTEMS APPROACH

- Positive effect on social system, personal attitudes & group behaviour.
- Focus on production, office operations, and other areas with close relationships between technical system and people.

## DE-MERITS


- Emphasis only on blue-collar and lower-level office work. Ignores much of other managerial knowledge



# CO-OPERATIVE SOCIAL SYSTEMS APPROACH

- Concerned with both interpersonal and group behavioural aspects leading to a system of co-operation.
- Concept includes any cooperative group with a clear objective.

## DE-MERITS

- Overlooks many managerial concepts, principles, and techniques being a broad field in the study of management.
- 

# GROUP BEHAVIOUR APPROACH

- The behavioral school of management emphasized what the classical theorists ignored – the human element.
- Behavioral theorists viewed organization from individual's point of view.
- It emphasizes individual attitudes and behaviors and group processes, and recognized the significance of behavioral processes in the workplace.

## DE-MERITS


Often not integrated with management concepts, principles, theory and techniques. Need for closer integration with organisation structure design, staffing, planning and controlling



# INTERPERSONAL BEHAVIOR APPROACH

- ▶ Focus on interpersonal behaviour, human relations, leadership, and motivation.
- ▶ Based on individual psychology.


## DE-MERITS

- ▶ Ignores planning, organizing, and controlling.
  - ▶ Psychological training is not enough to become an effective manager.
- 

# HUMAN RELATION APPROACH


- ▶ Helps managers deal more effectively with the “people side” or “human side” of the organization.
- ▶ Employees not only have economic needs but also psychological and social needs.
- ▶ Employees prefer self-control and self-direction.
- ▶ Employee oriented democratic participative style of management is more effective than mechanic task-oriented style

## DE-MERITS

- ▶ Productivity is ignored.
  - ▶ Incomplete Package.
- 




# SOCIAL SYSTEMS APPROACH

- ▶ This approach says management is a social system composed of people who work in cooperation.
  - ▶ Relationships exist between the external and internal environment of organisation.
  - ▶ There should be harmony between the goals of organisation and goals of the group.
  - ▶ Co-operation amongst the group is necessary.
- 

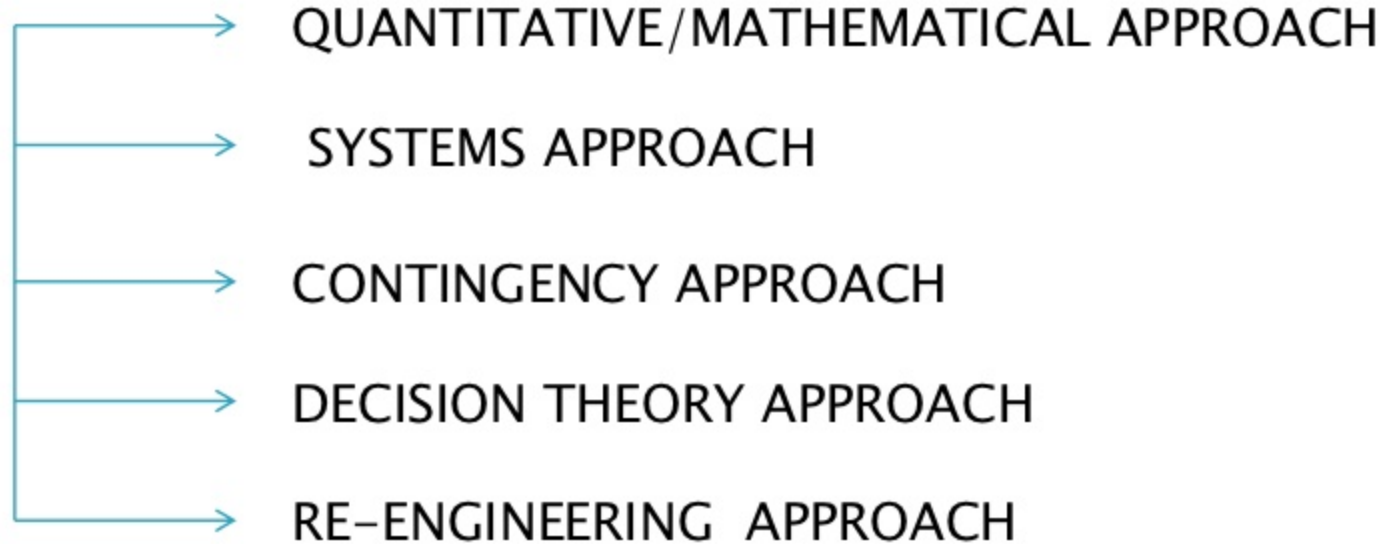
## **MERITS**

- ▶ This approach reflects the interest of all parties and is just not based on desires of one group alone.


## **DE-MERITS**

- ▶ Broader than management and its practices.
  - ▶ Overlooks many management concepts, techniques and principles.
- 

# MODERN APPROACH




# QUANTITATIVE APPROACH

- ▶ Aims at higher degree of precision and perfection by using mathematical and statistical tools.
  - ▶ Offers a systematic and scientific analysis and solution to problems.
  - ▶ Consistent use of logical reasoning to solve problems helps in reducing personal bias and intuition of managers.
  - ▶ Involves knowledge and skill of statistics , engineering, electronics, accounting etc.
- 




# Stages Of Quantitative Approach


- ▶ Dividing a problem into small simple components.
  - ▶ Gathering required information on each component.
  - ▶ Analysis of data so collected.
  - ▶ Finding out the solutions to the problem in hand.
- 

# Stages Of Quantitative Approach


## Merits

- ▶ It provides exactness of management principle.
  - ▶ It helps the decision maker make better decisions through informed and reasoned judgments.
- 

# SYSTEMS APPROACH


- ▶ A system is a set of interdependent subsystems which together perform some function.
  - ▶ Organization is a dynamic system, responsive, sensitive and vulnerable to environmental changes.
  - ▶ Systems approach gives a singular expansive and detail framework to diagnose the problem and decide which tool or combination of tools will accomplish the task best.
- 

# SYSTEMS APPROACH


- ▶ Merits
    - ▶ It can be used to get a quick perception.
    - ▶ It is useful for better planning.
  - ▶ Demerits
    - ▶ It is very complicated.
    - ▶ It is expensive.
- 




# CONTINGENCY APPROACH

- ▶ Implies there is no “One best way” of managing ,it depends upon situations and circumstances.
  - ▶ It requires thorough knowledge of situational variables and external factors.
  - ▶ Widens the horizon of management from management theory, principles, techniques.
  - ▶ Calls for knowledge and analytical abilities on the part of managers.
- 

# Fred Luthans' Contingencies

- ▶ Organization structure of management authority must match demand of its environment and system of technology.
  - ▶ Individual subsystems must match their particular environment and coincide with technological requirements.
  - ▶ Leadership behaviour of managers must be appropriate to situational demands.
- 


# Decision Theory Approach

- Specify objectives and criteria for making decisions
  - Developing alternatives
  - Analyzing and comparing alternatives
  - Select the best alternatives
  - Implement the chosen alternatives
  - Monitor the results to ensure that
  - Desired results are achieved.
- 


## **MERITS**

- ▶ Suitable tools for decision making.
- ▶ Covers Entire range of human activities & macro conditions.

## **DE-MERITS**

- ▶ Does not take total view of management- decision making only one aspect of management
  - ▶ Rational decision making is a challenge.
- 

# RE-ENGINEERING APPROACH

- ❖ Focuses on creating “**big change**” and fast, sensing a need to change, and reacting effectively .
  - ❖ Radical redesign of business processes to achieve : improvements in cost, quality, service, and speed.
  - ❖ To improve efficiency, identify redundancies, eliminate waste in every possible way
  - ❖ Look at how jobs are designed, raises critical questions about how much work and work processes can be optimally configured.
  - ❖ Goal of reengineering: Bring about a tight fit between market opportunities and corporate abilities leading to creation of new jobs.
- 



# EMERGING APPROACH



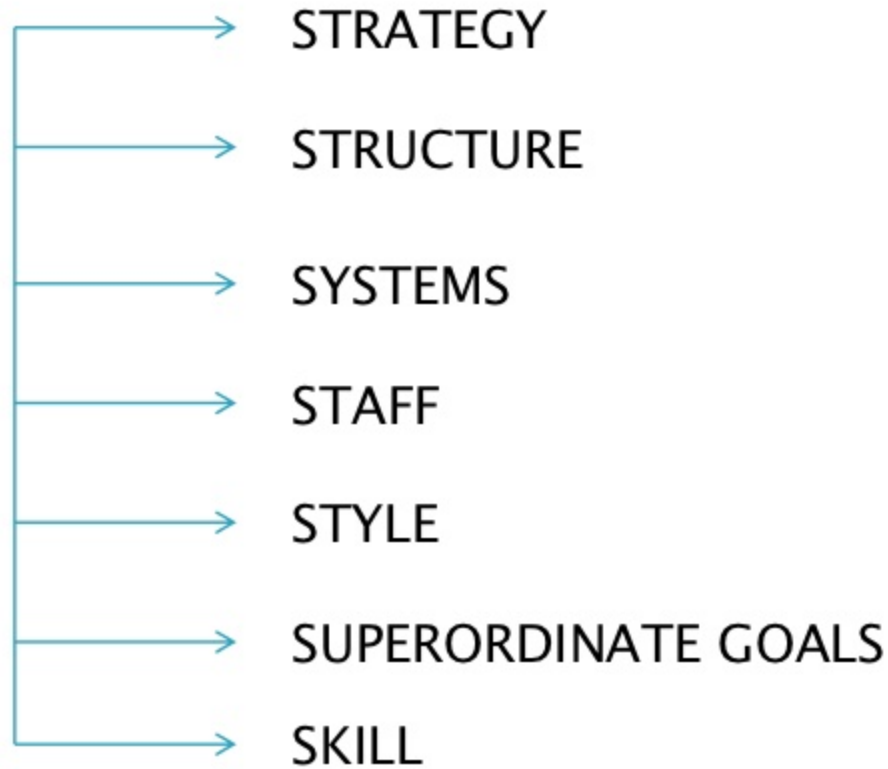
# **TOTAL QUALITY MANAGEMENT APPROACH**

“A management method relying on the co-operation of all members of an organization”.

“Management method that centers on quality and on the long term success of the organization through the satisfaction of the customers , as well as the benefit of all its members and society”.



# McKinsey's 7 S APPROACH



THANK YOU

