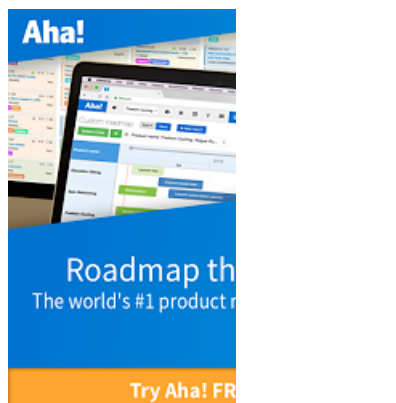


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Historical and Contemporary Theories of Management

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Historical Theories of Management

Scientific Management Theory

(1890-1940)

At the turn of the century, the most notable organizations were large and industrialized. Often they included ongoing, routine tasks that manufactured a variety of products. The United States highly prized scientific and technical matters, including careful measurement and specification of activities and results. Management tended to be the same. Frederick Taylor developed the "scientific management theory" which espoused this careful specification and measurement of all organizational tasks. Tasks were standardized as much as possible.

Workers were rewarded and punished. This approach appeared to work well for organizations with assembly lines and other mechanistic, routinized activities.

Bureaucratic Management Theory

(1930-1950)

Max Weber embellished the scientific management theory with his bureaucratic theory. Weber focused on dividing organizations into hierarchies, establishing strong lines of authority and control. He suggested organizations develop comprehensive and detailed standard operating procedures for all routinized tasks.

Human Relations Movement

(1930-today)

Eventually, unions and government regulations reacted to the rather dehumanizing effects of these theories. More attention was given to individuals and their unique capabilities in the organization. A major belief included that the organization would prosper if its workers prospered as well. Human Resource departments were added to organizations. The behavioral sciences played a strong role in helping to understand the needs of workers and how the needs of the organization and its workers could be better aligned. Various new theories were spawned, many based on the behavioral sciences (some had name like theory “X”, “Y” and “Z”).

Traits of Progressive Management Development Programs

With the Human Relations movement, training programs recognized the need to cultivate supervisory skills, e.g., delegating, career development, motivating, coaching, mentoring, etc. Progressive management schools now have students review a wide body of management topics and learn those topics by applying that knowledge in the workplace and reflecting on that application. Learning activities incorporate learners’ real-world activities in the workplaces or their lives. Assignment include reflection and analysis on real-world experience. Learning is enhanced through continuing dialogue and feedback among learners. Very good schools manage to include forms of self-development, too, recognizing that the basis for effective management is effective self-management.

Effective management development programs help students (learners) take a system’s view of their organizations, including review of how major functions effect each other. Assignments include recognizing and addressing effects of one actions on their entire organization.

Contemporary Theories of Management

Contingency Theory

Basically, contingency theory asserts that when managers make a decision, they must take into account all aspects of the current situation and act on those aspects that are key to the situation at hand. Basically, it’s the approach that “it depends.” For example, the continuing effort to identify the best leadership or management style might now conclude that the best style depends on the situation. If one is leading troops in the Persian Gulf, an autocratic style is probably best (of course, many might argue here, too). If one is leading a hospital or university, a more participative and facilitative leadership style is probably best.

Systems Theory

Systems theory has had a significant effect on management science and understanding organizations. First, let’s look at “what is a system?” A system is a collection of part unified to

accomplish an overall goal. If one part of the system is removed, the nature of the system is changed as well. For example, a pile of sand is not a system. If one removes a sand particle, you've still got a pile of sand. However, a functioning car is a system. Remove the carburetor and you've no longer got a working car. A system can be looked at as having inputs, processes, outputs and outcomes. Systems share feedback among each of these four aspects of the systems.

Let's look at an organization. Inputs would include resources such as raw materials, money, technologies and people. These inputs go through a process where they're planned, organized, motivated and controlled, ultimately to meet the organization's goals. Outputs would be products or services to a market. Outcomes would be, e.g., enhanced quality of life or productivity for customers/clients, productivity. Feedback would be information from human resources carrying out the process, customers/clients using the products, etc. Feedback also comes from the larger environment of the organization, e.g., influences from government, society, economics, and technologies. This overall system framework applies to any system, including subsystems (departments, programs, etc.) in the overall organization.

Systems theory may seem quite basic. Yet, decades of management training and practices in the workplace have not followed this theory. Only recently, with tremendous changes facing organizations and how they operate, have educators and managers come to face this new way of looking at things. This interpretation has brought about a significant change (or paradigm shift) in the way management studies and approaches organizations.

The effect of systems theory in management is that writers, educators, consultants, etc. are helping managers to look at the organization from a broader perspective. Systems theory has brought a new perspective for managers to interpret patterns and events in the workplace. They recognize the various parts of the organization, and, in particular, the interrelations of the parts, e.g., the coordination of central administration with its programs, engineering with manufacturing, supervisors with workers, etc. This is a major development. In the past, managers typically took one part and focused on that. Then they moved all attention to another part. The problem was that an organization could, e.g., have a wonderful central administration and wonderful set of teachers, but the departments didn't synchronize at all. See the category [Systems Thinking](#)

Chaos Theory

As chaotic and random as world events seem today, they seem as chaotic in organizations, too. Yet for decades, managers have acted on the basis that organizational events can always be controlled. A new theory (or some say "science"), chaos theory, recognizes that events indeed are rarely controlled. Many chaos theorists (as do systems theorists) refer to biological systems when explaining their theory. They suggest that systems naturally go to more complexity, and as they do so, these systems become more volatile (or susceptible to cataclysmic events) and must expend more energy to maintain that complexity. As they expend more energy, they seek more structure to maintain stability. This trend continues until the system splits, combines with another complex system or falls apart entirely. Sound familiar? This trend is what many see as the trend in life, in organizations and the world in general.

Additional Sources of Management Theory

[Knowing What a Manager Does](#)
[Freedom-Based Management](#)

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