

## Evolution of Management

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# PREVIOUS CLASS

- Pre-scientific theories
- Classical theories
  - Taylor's scientific management theory
  - Fayol's administrative theory
  - Weber's bureaucracy theory
- Behavioral theories
  - Human relations theory
  - Behavioral science theory
- Modern management theories
  - Quantitative theory
  - Systems theory
  - Contingency theory
  - Operational theory

# NOW, DISCUSS

- Pre-scientific theories
- Classical theories
  - Taylor's scientific management theory
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# BEHAVIORAL THEORIES

- Goals with human satisfaction
- Shift from workplace conditions to human side.
- People substituted the production
- Two theories
  - Human relations
  - Behavioural science

# BEHAVIORAL THEORIES - HUMAN RELATIONS THEORY

- Elton Mayo is the father of Human relation approach
- Organizational productivity by the morale of workers
- Results obtained through experiments
  - Test room studies
    - (a) Illumination experiment
    - (b) Relay assembly room experiment
  - Interviewing studies
  - Observation studies

# BEHAVIORAL THEORIES - RESULTS OF THE EXPERIMENT

- Informal groups are important
- Social groups are more important
- Worker is a social man
- Work is considered as a group activity
- Social and psychological factors influence employee behaviour and productivity

# BEHAVIORAL THEORIES - EVALUATION

- Focus on organizational efficiency
- Participative management is better
- Design of the theory
- Analysis of the theory
- Interpretation of the theory
- Human relations philosophy

# BEHAVIORAL THEORIES - SCIENCE THEORY

- It applies scientific vision
- Concepts from various sciences.
- Concepts from various disciplines are tested



# BEHAVIORAL THEORIES - SCIENCE THEORY

- It applies scientific vision
- Concepts from various sciences.
- Concepts from various disciplines are tested
- Several sociologists and psychologists contributed
- Extended to human relations movement

# HUMAN RELATIONS THEORY & SCIENCE THEORY - A COMPARISON

Human relations	Behavioural Approach
1. Focus on individual behaviour and needs.	Focus on groups and group behaviour
2. Emphasizes on interpersonal relationships.	Emphasizes on group relationships.
3. Views worker as 'social man'	Views worker as 'self actualising man'
4. Always views group conflict as a negative force.	Views group conflict as a source of new ideas and innovations.
5. Views organisation as a social system	Views organisation as a socio-technical system
6.Emphasis on motivation, morale, and job satisfaction	6.Emphasis on group dynamics and informal organisation structure
6. Narrow scope as based on Hawthorne experiment	Wide scope as based on Human relations movement.

# MODERN MANAGEMENT THEORIES

- Responsive to environment changes
- Multiple objectives
- Draws knowledge from various fields
- Apply the Scientific techniques
- These theories include:
  - Quantitative theory
  - Systems theory
  - Contingency theory
  - Operational theory -

# MODERN MANAGEMENT THEORIES - SYSTEM

- Viewed from a systems point of view.
- Elements of systems approach



# MODERN MANAGEMENT THEORIES – SYSTEM APPROACH

## ■ Advantages

- Control
- Coordination
- Action
- Concentrates on end results

## ■ Disadvantages

- Abstract
- Lack of universality.



# MODERN THEORIES – CONTINGENCY OR SITUATIONAL

- Cannot be a particular management action
- Basis of external environment, Internal states and needs.



# MODERN THEORIES – CONTINGENCY OR SITUATIONAL

## ■ Advantages

- Change employee roles
- Reactive model

## ■ Disadvantages

- Inadequate literature.
- Complex.
- Difficult empirical testing.
- Reactive not proactive.





# RECENT DEVELOPMENTS

- Total quality management (TQM)
- Search for excellence





# SEARCH FOR EXCELLENCE

- A bias for action
- Closeness to the customer
- Autonomy and entrepreneurship
- Productivity through people
- Hands on, value drive
- Stick to knitting
- Simple form, learn staff
- Simultaneous loose-tight properties
- Leadership-Management by Wandering Around



