

Evolution of Management

By A. SandanaKaruppan, AP/IT

INTRODUCTION

- Introduction.
- Approaches to management

MANAGEMENT THEORIES

- 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

EVOLUTION OF MANAGEMENT

- Classical Theory
- Neo classical Theory
- Modern Theory

DEFINITION OF CLASSICAL APPROACH



CLASSICAL THEORIES

- Scientific management (Operational approach)
- Administrative management or Universal approach
- Bureaucratic management

CLASSICAL THEORIES

- **Scientific management (Operational approach)**
- Administrative management
- Bureaucratic management

SCIENTIFIC MANAGEMENT

- F.W Taylor's contribution (1856-1915)
- Principles of Taylor's scientific management theory
 - Rule of thumb should be replaced with science
 - There should be harmony, not discord in group actions.
 - Cooperation, not individualism
 - Maximum output, not restricted output
 - Development of workers to their fullest capacity.
- Techniques of scientific management given by Taylor
- Evaluation of Taylor's theory
- Limitations



- Taylor's Followers

1. Frank and Lillian
2. Henry L. Gantt

- Lessons from the Operational Approach

1. Producing dramatic results
2. It created a much-needed emphasis
3. dehumanizing" today



- Taylor's Followers

1. Frank and Lillian
2. Henry L. Gantt

- Lessons from the Operational Approach

1. Producing dramatic results
2. It created a much-needed emphasis
3. dehumanizing" today



CLASSICAL THEORIES

- Scientific management (Operational approach)
- **Administrative management or Universal approach**
- Bureaucratic management

ADMINISTRATIVE THEORY

- It is also called universal process approach.
- Assumes all organizations require the same rational management process
- Focuses on the managers and the use of principles and functions .
- The pioneer contributors; Henri Fayol, James D Mooney, Alan C Reilly.

FAYOL'S ADMINISTRATIVE THEORY

- Fayol focused on managing the organization as a whole.
 - His theory revolves around
 - Classification of business activities
 - Basic functions of a managers
 - Qualities and skills of a managers
 - Principles of management
 - Fayol divided activities into following six groups:
 - Technical activities
 - Commercial activities
 - Financial activities
 - Security activities
 - Accounting activities
 - Managerial activities
 - He developed 14 universal principles of management.
1. Division of work
 2. Authority and responsibility
 3. Unity of command
 4. Unity of direction
 5. Discipline
 6. Subordination of individual interest to general interest
 7. Remuneration
 8. Centralization
 9. Scaler chain
 10. Order
 11. Equity
 12. Stability of tenure of personnel
 13. Initiative
 14. Espirit-de-corps



EVALUATION OF FAYOL'S THEORY

- Widely accepted
- Highlighting the principles of management



FAYOL'S ADMINISTRATIVE THEORY - SUMMARY

- Separated into interdependent functions
- Continuous process.
- Rational process
- The functional approach
- Widespread applicability



TAYLOR AND FAYOL – A COMPARISON

Basis of comparison	Taylor	Fayol
Aim	To increase production at the shop level	To increase overall production of the organization
Focus	On improving workers' output through work simplification and standardization	On improving overall administration through general principles
Management View	From bottom to top	From top to bottom
Results	Scientific observation and measurement	Universal truths developed from personal experiences
Personality	Scientist	Practitioner
Major contribution	Science of industrial management	A systematic theory of management
Perspective	Narrow	Wider
Aspects studied	Micro aspect-management of jobs	Macro aspect-management of total organization

CLASSICAL THEORIES

- Scientific management (Operational approach)
- Administrative management or Universal approach
- **Bureaucratic management**

- Max Weber(1864-1920).
- His model is characterized by
 - Division of work
 - Rules and regulations
 - Hierarchy of authority
 - Technical competence
 - Record keeping
 - Impersonal relations

BUREAUCRACY MANAGEMENT PRINCIPLES



BUREAUCRACY MANAGEMENT PRINCIPLES

- Division of work
- Hierarchy of position
- Rules and regulations
- Impersonal conduct
- Staffing
- Technical competence
- Official records

EVALUATION OF BUREAUCRACY MANAGEMENT

- Advantages of specialization
 - Rationality leads to efficiency
 - Leads to optimum utilization of resources
 - Depersonalization leads to equal treatment of all the workers
 - Facilitates growth of large scale organizations
 - Ignores the sentiments of human beings
- Limitations

EVALUATION OF WEBER'S THEORY

- Advantages of specialization
 - Rationality leads to efficiency
 - Leads to optimum utilization of resources
 - Depersonalization leads to equal treatment of all the workers
 - Facilitates growth of large scale organizations
 - Ignores the sentiments of human beings
- Limitations

CLASSICAL THEORIES

- Contribution of classical management
- Limitations