

THE EVOLUTION OF MANAGEMENT

When one reflects upon the major developments in technology and industrialism in the twentieth century, it is not surprising to find that there have been many different approaches to the theory of management.

In and before the nineteenth century very little was written, and the writings were pragmatic, reflecting the experiences of the managers and administrators in their different fields and their personal approach to the problems of the day.

The earliest contributions to management theory are now somewhat out-of-date, but we should assess them in the context of the time when they were written.

Since the conclusion of World War II, many approaches reflect the increasing interest of social scientists in industrial problems.

There are four main separate schools of thought:

- Process or operational
- Behavioural
- Quantitative
- Systems

THE PROCESS OR OPERATIONAL SCHOOL

This school offers a widely used approach to management training because it provides a systematic ordering of the subject. It is sometimes called the “universalist” approach because its followers insist that management has a set of principles which have universal applications despite the state of the environment.

The principles which Fayol put forth were:

- Those who have authority to give orders must be held responsible for the consequences. In modern management techniques we also stress the converse - we should give those who are responsible for an operation the authority to initiate the action necessary to ensure success.
- There should be unity of command. An employee should receive orders from one superior only.
- There should be unity of direction. In other words, there should be one head and one plan for activities having a common purpose.
- Means of lateral communication should be provided.
- There should be division of work and specialisation.
- Discipline is necessary for the smooth running of a business.
- The interests of one employee or a group should not prevail over the interest of the concern.
- The remuneration plan should be fair, but not lead to overpayment.
- Centralisation is desirable, but should be done with discretion. Decentralisation may be needed in large organisations.
- There should be order and balance in the organisation.
- There should be equity (Justice tempered with fairness).
- There should be stability of tenure of the personnel.
- Managers should encourage initiative in subordinates.
- Managers should encourage "team spirit".

Fayol intended that his principles be guidelines only and not immutable laws. He became an important influence on many other writers in the process school. These writers include Urwick, Brech, Mooney, Reilly, Koontz and O'Donnell.

Frederick Winslow Taylor (1856-1915)

Taylor is known as “The father of scientific management”. He was a foreman who had served an apprenticeship in a small machine shop, and he made a major impact on the approach to shop management in the early twentieth century.

As a foreman, Taylor’s principal concern was to increase production. Although piecework methods were common, the employers often abused these rates. When output rose the employers cut the rate for the job. Therefore, the workers deliberately worked slowly, to maintain the rate.

As Taylor saw it, the problem was to determine what should be “a fair day’s work”. This was a difficult problem, because at that time operatives planned their own time and there were no recognised techniques of work measurement.

To overcome this problem, Taylor devised a scheme of “time and motion” study in which each job was broken down into its basic elements. The performance of these elements was then timed by means of a stopwatch. Taylor believed that with this method in use, the workers could not argue about “a fair day’s work” as this had been scientifically determined. To motivate the workers to higher output he introduced a system of “differential piecework”. A man, who produced to standard only, was paid at one rate, but workers who produced more than standard, were paid at a higher rate for all the units produced.

Another proposal put forward by Taylor was that of “functional foremen”, that is, foremen who would be specialists in a particular skill and would supervise operations requiring that skill throughout the family. He also advocated the separation of planning and directing.

Taylor’s contributions were developed by many others including Laurence Gantt who developed the Gantt Chart used in the planning and scheduling of work, and Frank Gilbreth, who developed the techniques of method study (the best way of doing a job), thus complementing Taylor’s “time and motion” study.

Taylor envisaged that his proposals would cause a mental revolution because both management and employees would see a common purpose with mutual benefit. This was not to be, but the scientific management movement did point the way to increased efficiency because of the following:

- Management became more conscious of the need to study more efficient methods of doing work.
- Because of time study, more accurate planning and scheduling of work through linked operations became possible.

The process school is not without its critics. This criticism has come from many quarters. Much of the controversy involves the need for 'principle' or laws. In the universalist approach, principles are assumed to have universal application. There is a tendency to create laws based upon limited observation or speculation which have not passed the test of science. Because of this, sometimes principles are developed, which are almost in direct conflict with each other, such as the following: "The number of layers of management should be reduced", and "The span of control of the executive should be no more than six". However, by reducing the span of control, the layers of management are increased. Similarly, the principle that there should be unity of command is at variance with the principle that specialists should be employed.

In contrast to the universalist school, the "contingency theorists" argue that the situation determines laws. For instance, if the executive can handle more than ten subordinates and their interpersonal relationships, he should be allowed to do so.

Also, in the past, the process school has been heavily criticised for ignoring the behavioural dimensions of organisations.

THE BEHAVIOURAL SCHOOL

We may date this approach from the early 1920s when social scientists set out to test a "principle", advanced by the process school, that short work periods interspersed with rest breaks produced more output than long work periods without breaks.

Experiments, carried out at the Hawthorne Plant of the Western Electric Company in the USA, disproved this theory, but gave new insight into the social, psychological and human factors affecting productivity in organisations.