

Management Controversies: The Divergence and Convergence

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Abstract

The paper examines the different perspectives in which contributions were made into the development of management thought. The objective is to examine the similarities and differences on existing contributions and how it has impacted on the development of management thought. The paper also highlights newly introduced concepts and asserts that these concepts will form the basis for current and future management controversies as academic, practising and retire managers will continue to discuss them from different perspectives. The paper concludes that the state of management thought will continue to be controversial since the contributors to the development of management are from different academic background and their views about organizations largely depends on the area of their disposition and also because management is all about human attitude and perception about the emerging situation in their immediate environment.

Introduction

The historical development of management is as old as mankind. The knowledge, idea and skill to manage man and materials in organisations, societies and nation's have been around since times immemorial. Many writers have used the Egyptian pyramids and the Great Wall of China as an evidence of managing projects of great importance with the mobilisation of huge human and material resources for its execution (George, 1968; Rao and Narayana 1989). The magnitude of these projects require proper planning, organising, and controlling without which such monumental projects would not have been satisfactorily completed.

Awareness of the importance of management functions, practices and techniques indicate that organisations, societies and nations on how to manage have been around since antiquity.

However, there was lack of management books and publications, this led to the search for a rational and systematic sciences of management that brought about the gathering of American Engineers in 1886 led by Henry Towne. This group, American Society of Mechanical Engineers (ASME) stressed the importance of management as a field of independent study (encyclopedia of Professional Management Vol 1 and 2).

Recommendations were made for the development of writing and publication in area of management because of almost complete absence of management literatures, absence of a medium for the exchange of administrative ideas and experiences and total lack of management associations. The above observations necessitated the need for revolution in the area of management.

Consequently, there were deluge of research on the field of management, this has attracted the attention of psychologists, sociologists, anthropologists, mathematicians, political scientists, economists and so on.

Unfortunately, the approaches developed by these scholars have created chaos and resulted in a confused and destructive warforce (Rao, Narayana, 1989). As a result of these controversies a writer referred to management at its present state as theory of jungle (Koontz, 1961).

Consequent upon the categorisation and the need to study management thereby influence further the need to prose into the existing writers in order to look at the differences and similarities of knowledge and idea and further concluded on the state of management thoughts.

Emergence of Management Literature

The collections of management literature will be analysed under the following;

Classical theory; Neo classical theory; Modern theories.

Classical theory

Classical theorists were classified to be the early writers of management thought. Classical theory was developed in three streams; Scientific management approach; Administrative approach; Bureaucratic approach

Scientific management approach

This paper examines scientific management approach from three angles; Firstly, the paper considers the scientific management before Fredrick Taylor, secondly, scientific management by Taylor and lastly, other views on scientific management. This is important in order to find out the differences or similarities in literature and contribution to knowledge.

Scientific management before Fredrick Taylor

There were discussions in the area of scientific management before Taylor. Writers like Charles Babbage, Henry Towne, Henry Metcalfe, etc had one way or the other mentioned in their respective work the scientific way of managing department or an organization. For example **Charles Babbage (1792-1871)**, after proper observation of most factories in UK and France, found that most of the employees and business owners are guided purely by

old techniques and traditional way of managing and estimating. In addition, their conduct also full of imagination because business owners never analyze facts to take decisions, even if those facts are available. Further, the employees and owners were totally ignorant of the basic techniques of science and methods and hence their approach was not exact and highly unscientific.

The two most important contributions of Babbage to management are: Firstly, he suggested and explained the importance of division of labour on the basis of skills. Secondly, he emphasized the necessity of replacing the manual operations with machines.

One of the most interesting and important contributions of Babbage to the management thought is the invention of the Analytical Engine, which later led to what is referred to as today's digital computer. Babbage is also recognized as the inventor of automated data processing system. Babbage was a pioneer in operations research. His book *On the Economy of Machinery and Manufacturers* provides a good source of information about the methods of manufacturing in the early nineteenth century.

Captain Henry Metcalfe (1847-1917), was well-noted manager of an army arsenal, who retired in 1893. Metcalfe is credited with a book, *The Cost of Manufactures and Administration of Workshops: Public and Private* (1882). This book is appreciated and recognized as a fascinating work on management. Metcalfe emphasized "new system of control"; he visualized that science of administration is based on principles that are evolved by recording observations and experiences. Metcalfe asserted that the art of management should be based on several recorded and accumulated observations which are presented systematically. Then, management should make certain cost estimates depending on these observations. Of course, management should maintain only important and crucial information and discard the redundant and superfluous information, records, charts, and reports. Managers should prepare the details of work which then will be conveyed to foremen and workers. Managers should make two types of cards:-Time cards and Material cards. Metcalfe opines that the system of cards has the advantage of giving the workers an assurance that good work done cheaply would be known as such and that a method was provided by certain automatic action of which their work would be surely gauged.

(Henry Robinson Towne (1844-1924)), the co-founder member (as well as the president for long time) of the Yale and Towne manufacturing company, certainly-deserves a place in the list of those who can be labelled as 'pioneers' of management thought. Towne is largely appreciated for providing solid edifice on which to construct scientific management tower. Towne was an innovator in the sense; he tried to perform a happy marriage of business with engineering. He has succeeded in influencing the engineering to study management. According to him, a manager should be (i) an administrator, (ii) an engineer, and (iii) a thorough statistician. He argued that these three components must be in a single person called manager. Towne said there are many good engineers, and there are also very good businessmen; but the two are rarely combined in a single person." This combination of qualities, together with at least some skills as an accountant, either one person or more, is essential to the successful management of an organization.

The three pioneers mentioned above among others discussed scientific methods in their respective contributions as a way of achieving organizational productivity by being efficient and effective. Their opinion and suggestions were differ but meant to achieve the same objective.

SCIENTIFIC MANAGEMENT BY FREDERICK WINSLOW TAYLOR (1856-1915), as an almost unknown engineer from Philadelphia, Taylor rose from this milieu with a new and total concept of management. Instead of being whip men, managers, according to Taylor, would have to develop a new philosophy and approach to managing. They would have to change to a broader, more comprehensive view in order to see their job as incorporating the elements of planning, organizing, and controlling.

Taylor, of course, did not burst on the scene with these thoughts marshaled in a complete and mature thesis. His ideas were generated as he worked for various firms, starting in 1878 with the Midvale Steel Company. At Midvale he rose from pattern-maker to chief engineer in 1884 at the age of 28.

During these years he first began to recognize some of the many shortcomings of factory operation which he subsequently referred to in his writings.

The essence of scientific management according Taylor's is that this approach sought to analyze existing practices, study them for standardization and improvement and bring expertise to planning and supervision. On the human side, Taylor sought the highest degree of individual development and reward through fatigue reduction, scientific selection to match individual's abilities to their jobs, and wage incentives. Taylor's basic philosophy can be stated in the following principles:

- The development and use of the scientific method in the practice of management.
- Scientific approaches to select employees who are best suited to perform a given task.
- Providing the employee with scientific education, training and development.
- Encouraging harmonious relationships between management and employees.
- Reward for an active personnel

These principles were the pillars of Taylor's scientific management. Scientific management, as Taylor contends, is a philosophy rather than a mechanism. Taylor was not interested in mixing the mechanism with the

philosophy of scientific management. According to him, the mechanisms of management include (i) time study, (ii) functional foremanship, (iii) differential piece rate system, (iv) standardization of all tools and acts/movements of workers for each class of work, and (v) routing systems etc.

Taylor's mechanisms of management were; develop a science for each element of a man's work, which replaces the old rule-of-thumb method. Second, scientifically select and then train, teach, and develop the work man, whereas in the past he chose his own work and trained himself as best he could. Third, heartily cooperate with the men so as to insure all of the work being- done in accordance with the principles of the science which has been developed. Fourth, there is an almost equal division of the work and the responsibility between the management the workmen. The management takes over all work for which they are better fitted than the workmen, while in the past almost all of the work and the greater part of the responsibility were thrown upon the men. Taylor further stated that the combination of these four great principles of management constituted scientific management, which was more conceptual and philosophical than mechanical. He explained, in fact, against confusing the mechanisms of management with the philosophy of scientific management, and listed the following as some of the mechanisms:

- Time study; the standardization of all tools and implements used in the trades, and also of the acts or movements of workmen for each class of work; the desirability of a planning room or department; the "exception principle" in management; the use of slide rules and similar time saving implements. Instruction cards for the workman; the task idea in management, accompanied by a large bonus for the successful performance of the task; the "differential rate."; mnemonic systems for classifying manufactured products as well as implements used in manufacturing; a routing system; Modern cost system, etc.

NEW VIEW OF SCIENTIFIC MANAGEMENT

Henry Laurence Gantt (1861-1919), he was an associate of Taylor at Midvale. After observing the operation of Taylor's differential piece rate system, he came to the conclusion that the system had too little motivational impact on workers. He came up with a new idea, wherein a worker would be paid bonus for completing the assigned works; the pay pattern is referred to as day rate system. The foreman would earn a bonus for each worker who reached the daily standard, plus an extra bonus if all the workers reached it. He also provided a 'Gantt chart' for scheduling production activities.

Gantt was founder of a new movement known as the 'new machine'. He has extended the basic tenets of scientific management to the solution of the problems of an industrial society as a whole. He has appealed for maintaining harmonious relationship between the employers and employees. One notable feature of Gantt is that he has distinguished man and machine which Taylor could not. Gantt has become equally popular because of his humanizing influence upon management. He also proposed a new bonus system which is definitely an improvement over Taylor's differential piece rate system. Unlike Taylor, Gantt has considered the psychological and social needs of workers. He stressed on the survival of employees by linking the specific tasks which workers perform, with the proper rewards. Gantt is more credited with management as he has paid the necessary attention to the human element in productivity.

The Gilbreths (Frank B. and L.M. Gilbreth) 1868-1924 and 1878-1972, No discussion of scientific management would be complete without Frank Bunker and Lillian Moller Gilbreth. Whenever these names are mentioned one immediately thinks of the Gilbreths' pioneering efforts in the field of motion study. In fact, their work and refinements in the field of motion study laid the entire foundation for our modern applications of job simplification, meaningful work standards, and incentive wage plans.

Frank and Lilian Gilbreth made significant contributions to the scientific management movement as a husband and wife team through their work on time and motion studies. After giving up his contracting career Frank Gilbreth along with his psychologist-trained wife carefully studied work arrangements in the factories to eliminate wasteful hand and body motions. Frank Gilbreth, especially in brick layering work, developed a particular technique that tripled the amount of work a bricklayer could do in a day. His success led him to make motion and fatigue studies. Gilbreths hated idleness and waste and they sought to eliminate these evils in their home as well as in industry. "No idlers themselves, they produced twelve children in seventeen years and applied scientific management techniques to running their extraordinary household." For example, Frank Gilbreth installed Victrola in the bathroom so that the children could listen to French and German language instruction while bathing. He even instructed them in the efficient method of bathing. Even when he took the family for sailing during holidays, Frank used to give lectures on navigation, tides etc.

The Gilbreths used motion picture films to study hand and body motions. Through a micro-chronometer they determined how long a worker spent enacting each motion. They have identified seventeen units of motion which they called therbligs (Gilbreth spelled backwards with the 'th' transposed), in any activity. Whenever they analyzed a job, they isolated the therbligs and looked for a way to shorten the time needed for each. The Gilbreths also developed a three position plan of promotion for employees. According to this plan, an employee

would perform his present job, prepare for the next highest one and train his successor all at the same time.

Hugo Munsterberg, Born in Danzig, Germany, on June 1, 1863, Hugo Munsterberg earned the Ph. D degree in psychology at the University of Leipzig in 1885 and the M.D. degree at the University of Heidelberg two years later. He was, in fact, only twenty-nine years old when he took charge of the psychological laboratory as Professor of Experimental Psychology at Harvard University. Despite this lofty position, Munsterberg frequently authored not scholarly dissertations but sensational features, written in a popular style appearing in local papers and magazines. These are ideas along with subsequent publications brought psychology particularly the psychological aspects of management-to the attention of industrialists.

After paying tribute in his book to Frederick W. Taylor as the brilliant originator of scientific management, Munsterberg proposed, that the role of psychologists in industry should be: (1) to help find the men best fitted for the work; (2) to determine under what psychological conditions the greatest output per man could be achieved; and (3) to produce the influences on the human mind desired in the interest of management.

Harrington Emerson, a Presbyterian minister's son from Trenton, New Jersey, is probably best remembered as the expert witness for Brandeis in 1910 who stated that the United States railroads could save one million dollars per day if they would adopt scientific management principles in their operation. It was also Emerson who first used the term "efficiency engineering" to describe his brand of consulting. In fact, he pushed the concept of efficiency to such a magnitude that today he is frequently referred to as the "high priest of efficiency."

Emerson's concept of efficiency was simple: conservation-the elimination of "wanton, wicked waste." To him this included waste in government, waste that was robbing and depleting our natural resources, and waste in the efficiency of men and machines in our industrial sector.

In 1911 the Engineering Magazine Company published Emerson's book titled 'Efficiency as a Basis for Operation and Wages', and in 1913 his expanded concepts were published as The Twelve Principles of Efficiency, was his best known and most popular work. The major thesis in his Principles was that ideas-not land, labor, and capital-create wealth; that ideas employing the tools of land, labor, and capital generate wealth. To explain this further, he set forth twelve principles of efficiency upon which management should rest- principles which we may regard as common place, but which were new for his time.

Emerson's principles. The first five of Emerson's principles of efficiency relate to interpersonal relations, particularly between employer and employee, the remaining seven principles relate mainly to methodology or systems in management.

- 1) Clearly defined ideal-know what you are attempting to accomplish. Eliminate vagueness, uncertainty, and aimlessness characteristic of a great many undertakings.
- 2) Common sense-a supernal common sense that enables one to differentiate between woods and trees. This is a common sense that strives for knowledge and seeks advice from every quarter, unconfined in any position yet maintaining dignity of balance.
- 3) Competent counsel-actively seeking advice from competent individuals.
- 4) Discipline-adherence to rules; strict obedience. The function of this principle is to bring about allegiance to and observance of the remaining eleven principles.
- 5) Fair deal-justice and fairness.
- 6) Reliable, immediate, adequate, and permanent records-a, call for facts upon which to base decisions.
- 7) Dispatching-scientific planning through which each small function is performed so as to serve to unify the whole and enable the organization to reach its end objective.
- 8) Standards and schedules-a method and time for performing tasks.
- 9) Standardized conditions-uniformity of environment.
- 10) Standardized operations-uniformity of method.
- 11) Written standard-practice instructions-systematically and accurately reducing practice to writing. [This was Emerson's legal codification for industrial practice]
- 12) Efficiency reward-reward for successful execution of a given task.

The writers, and contributors to scientific approach are numerous and have shown greater commitment to the development of management thought, despite the fact that their contributions are meant to achieve similar objective, however, different arguments and suggestions were raised. For example, mechanistic and differential piece rate of Taylor to humanistic and day piece rate by Henry Gantt. Consequently, scientific approach has shown that there are differences and similarities in individual contributions towards the development of management thought.

Administrative Approach

As it was discussed earlier, that, the practices of management has begun from time immemorial. The pattern of construction of pyramid in Egypt has shown that huge human and material resources were mobilized, it was pointed out that projects of such size requires proper planning, organising, and controlling without which such monumental projects would not have been satisfactorily completed.

Administrative Approach by Henry Fayol

Henry Fayol (1841-1925) was born in 1841 in a family of French bourgeois. Trained as a mining engineer, he made his mark as an industrialist with the French coal and iron combine of Commentry Fourchambault where he spent his entire working life. He wrote during the same time as Taylor based on his personal experiences as a top level administrator.

Henry Fayol is known as the father of modern management theory. This title recognizes his pioneering efforts in systematizing the management principles. The scientific management was concerned with increasing the productivity of the shop and individual worker. It was a philosophy concerning the relationship between people and work. The activities of management received little attention. As more and more people were entering the management ranks following increased business activity, the study of management began to receive attention. Questions like what management is, what organizational principles are, and the methods by which managers could more effectively perform their jobs have been advanced frequently, Henry Fayol answered these questions. From his practical experience as the managing director of a large French coal mining firm, he has developed a blueprint for a cohesive doctrine of management one which retains much of its force to this day. He originated the symbol of formal organization, the organization chart, with his organization manual of job descriptions, and remains the chief instrument of business management. He produced ideas on human relationship. Not the least, he was a firm advocate of the view that management can and should be taught. This was a revolutionary idea when he first propounded it in 1908.

Fayol's made three fundamentals contributions; firstly, that organizations should be divided into six activities or categories, secondly, stated functions to be performed by the managers, and lastly developed fourteen principles of management.

His first suggestion was that all operations in business organizations can be conveniently classified under six main headings (all of which are closely dependent on one another):

- i) **Technical:** Producing and manufacturing products;
- ii) **Commercial:** Buying raw materials and selling products;
- iii) **Financial:** Acquiring and employing capital;
- iv) **Accounting:** recording and taking stock of costs, profits and losses;
- v) **Security:** Protecting employees and property; and
- vi) **Managerial:** Administering the activities of an organization by performing certain basic functions based on principles. Fayol's emphasis, of course, was clearly on this last activity.

Second submissions was that managers must perform certain functions

Management functions

Fayol concentrated mostly on management activities because he felt that managerial skills had been grossly neglected in business operations. He listed the following as functions of management; planning, organizing, commanding, coordinating and controlling as the main elements of management. To forecast or plan, he pointed out, is to examine the future and evolve a plan of action to meet it. Organizing means mobilizing the materials and human resources of the organization and translates the plan into action. Commanding means providing direction for employees and getting things done. Coordinating means bringing together unifying and harmonizing all activity and effort. Controlling means seeing that everything occurs in conformity with the established rule and expressed command.

Thirdly, fourteen principles were develop

Management Principles:

Fayol's Contributions: Fayol's contribution to management is unique and valuable. He provided a conceptual framework for analyzing the management process. A number of current ideas and practices in management can be directly linked to his contributions.

Principles of management

1.	Division of work	Reduces the span of attention or effort for any one person or group. Develops practice and familiarity.
2.	Authority and Responsibility	The right to give orders. Should not be considered without reference to responsibility.
3.	Discipline	Outward marks of respect in accordance with formal or informal agreements between firm and its employees.
4.	Unity of command	One man one superior!
5.	Unity of direction	One head and one plan for a group of activities with the same objective.
6.	Subordination of individual interest to the general interest	The interest of one individual or one group should not prevail over the general good. This is a difficult area of management.
7.	Remuneration	Pay should be fair to both the employee and the firm.
8.	Centralization	Is always present to a greater or lesser extent, depending on the size of company and quality of its managers.
9.	Scalar chain	The line of authority from top to bottom of the organization.
10.	Order	A place for everything and everything in its place; the right man in the right place.
11.	Equity	A combination of kindness and justice towards employees.
12.	Stability of tenure of personnel	Employees need to be given time to settle into their jobs, even though this may be a lengthy period in the case of managers.
13.	Initiative	Within the limits of authority and discipline, all levels of staff should be encouraged to show initiative.
14.	Esprit de corps	Harmony is a great strength to an organization; teamwork should be encouraged.

Source: author's model

His contribution to the theory of management is probably the most revolutionary and constructive that has ever been made. The isolation and analysis of management as a separate field of studies was unique and original addition to the body of management theory. This has ultimately led to the mushrooming growth of management institutions throughout the globe.

Fayol was a contemporary of Taylor. But unlike Taylor, Fayol concentrated on the activities of all managers and produced a book from his personal experiences. The works of Taylor and Fayol are essentially complementary. Both believed that proper management of personnel and other resources were keys to organizational success. The major difference in their approaches centered on their orientation. Taylor was a scientist, came through the ranks and concentrated on the operative level. Fayol was a practitioner. He spent most of his time in executive positions and had more of a top management perspective.

Chester I. Barnard (1886–1961)

Another strong member of the administrative management school is Chester Barnard. He studied economics at Harvard but failed to receive a degree because he lacked a course in laboratory science. Barnard led a highly successful management career rising to the position of the President of New Jersey Bell Telephone Company. He was also very active professionally including acting as the head of the Rockefeller Foundation. After giving a series of lectures on management, Barnard published his only book, *The Functions of the Executive*, in 1938.

Though, not an academician he wrote a book 'The Functions of the Executive'. Also, one of his significant contributions was the concept of the informal organization. The informal organization occurs in all formal organizations and includes cliques and naturally occurring social groupings. Barnard argued that organizations are not machines and informal relationships are powerful forces that can help the organization if properly managed. Another significant contribution was the acceptance theory of authority, which states that

people have free will and can choose whether or not to follow management orders. People typically follow orders because they perceive positive benefit to themselves, but they do have a choice. Managers should treat employees properly because their acceptance of authority may be critical to organization success in important situations.

Contrary to Weber's belief that communication flows from the top of the organization to the bottom, Barnard feels organizational communication flows from the bottom to the top. He states there are four factors affecting the willingness of employees to accept authority:

1. The employees must understand the communication.
2. The employees accept the communication as being consistent with the organization's purposes.
3. The employees feel their actions will be consistent with the needs and desires of the other employees.
4. The employees feel they are mentally and physically carry out the order from the higher authority.

Barnard's sympathy for and understanding of employee needs in the dynamics of the organizational communication process positions him as a bridge between the administrative school and behavioral school of approach.

Lyndal Urwick

Urwick was a major contributor to the administrative approach which was started by Fayol. Urwick laid down certain principles required for building effective organizations. They are the principles of:

- 1) **Objectives:** That the objective of an organization should be defined clearly.
- 2) **Specialization:** That each job should be linked to one main function.
- 3) **Definition:** That the responsibility and authority for every position should be clearly specified preferably in writing.
- 4) **Chains of Command:** That there should be a clear line of authority from the top to the bottom.
- 5) **Span of Control:** That limits should be placed on the number of subordinates for each superior, four to six being the optimum number.
- 6) **Communication:** That the number of levels of authority in the organization hierarchy should be limited to ease the flow of communication.
- 7) **Primary Task:** That line functions should be distinct from advisory staff functions.
- 8) **Co-ordination:** That effort of employees should be unified.
- 9) **Exception:** That management should only be concerned with non-routine decision-making and should only be notified when results are remarkably off target.
- 10) **Responsibility:** That the superior assumes absolute responsibility for the acts of his subordinates; that authority can be delegated but not responsibility.
- 11) **Flexibility:** That the organization should be able to adjust to changes
- 12) **Simplicity:** That the organization should stay simple in order to remain effective.

As stated above, one of the principles developed by Urwick for building effective organizations is that the number of levels of authority in an organization hierarchy should be limited. Too many organizational levels are not desirable because:

- i) They tend to cause delay in passing information to those who are in the position to take actions on specific matters. Too many layers tend to complicate communication while decisions and negotiations take longer period. In other words, too many layers of organization can add drastically to response time.
- ii) Too many layers tend to make it difficult for top management to exercise control over the organization.
- iii) With many organizational layers, an employee with innovative ideas can have his ideas smothered and suppressed because he has to pass through many levels and checks before he can get to the top management where the final right of approval can be exercised.
- iv) Too many organizational layers are expensive to maintain.

Like Henri Fayol that focuses on managers for an effective coordination by stating management functions and principles, Urwick contributed to the study of management thought by prescribing the principles for building an effective organization.

The Bureaucracy Management School

Max Weber (1864-1920)

Max Weber was a German social scientist. Unlike both Taylor and Fayol, he had an academic background and sufficient teaching experience before he described the principles of Ideal Bureaucracy. He developed the idea of bureaucracy about the time Fayol and Taylor were solving practical management problems in France and the USA respectively. Bureaucracy could either be defined in terms of "red-tapism" (excess of paper work), 'officialdom' (apparatus of centralization, or in an "organizational form". It is in the organizational form that Weber's work was done. Bureaucracy is a system of organization that is organized rationally, logically,

impersonally and according to official rules as a means of carrying out imperative control over human beings.

Weber (1947) further identified three types of legitimate authority, viz:

Traditional authority – acceptance of authority holder results from tradition and custom.

Charismatic authority – acceptance results from loyalty to and confidence in the ruler's qualities.

Rational legal authority – acceptance results from the office or position of the authority holder as prescribed by the organizations' rules and procedures.

Features of bureaucracy. According to Max Weber, under a bureaucracy the organization structure has the following features:

- ❖ Tasks are divided into very Specialized jobs.
- ❖ A rigorous set of rules must be followed to ensure predictability and eliminate uncertainty in task performance.
- ❖ A stable and well-defined hierarchy of authority ensuring clear authority-responsibility relationships.
- ❖ Superiors take an impersonal attitude in dealing with subordinates.
- ❖ Written rules, decisions and keeping of extensive files.
- ❖ Specified qualifications for individuals holding office.
- ❖ Employment and promotions based on merit, and technical competence.
- ❖ Life long employment and there is adequate protection of individuals against arbitrary dismissal.

An organization can be considered bureaucratic depending on the extent to which above features are present. Weber believed that bureaucracy provides an ideal weapon to harness and routinize the human and mechanical energy which fuelled the industrial revolution. He sought to describe an ideal organization-the one that would be perfectly rational and would provide maximum efficiency of operation. He viewed bureaucracy as an ideal type because he felt that it had certain advantages over other organizational forms. It is therefore further refinement of Administrative management approach.

Advantages of bureaucracy are; precision, speed, un-ambiguity, knowledge of the files, continuity, discretion, unity, strict subordination, reduction of friction and of material and personnel costs-are raised to the optimum point in the strictly bureaucratic administration.

Bennis (1959) argued that bureaucracy has the following limitations

- ❖ It does not take into account the informal relationships between individuals working in the organization;
- ❖ Its system of control and authority are hopelessly outdated;
- ❖ It does not possess adequate means for resolving differences and conflicts between ranks and most particularly between functional groups;
- ❖ Due to hierarchical division of authority, communication process tends to be slow and is often distorted;
- ❖ By encouraging conformity to rules and regulations, bureaucracies leave nothing for original or innovative behaviour. In such an atmosphere it is very difficult to adapt to changing circumstances. It finds coping with change difficult.

HUMAN RELATIONS

Before twenty century search of humanistic exponents, there has been management research in the nineteenth century who had raised issue regarding the interactions and motivations of the individual in organizations. Management principles developed during this period include Robert Owen explanation of human treatment in organization.

Robert Owen (1771-1858)

Robert Owen's ideas stemmed from his ownership of a cotton mill in New Lanark, Scotland where he developed a strong interest in the welfare of the 400 to 500 child employees. Owen spearheaded a legislative movement to limit child employment to those over the age of ten while reducing the workday to 10 1/2 hours.

In 1813 Owen published a pamphlet, A New View of Society, where he described his vision of society. He also became active in improving living conditions of employees through the implementation of improvements in housing, sanitation, public works and establishing schools for the children. Owen strongly believes that character is a product of circumstances and that environment and early education is critical in forming good character.

While being extremely controversial during his lifetime, Owen is credited with being the forerunner of the modern human relations school of management.

NEO-CLASSICAL THEORY (HUMAN RELATIONS)

In the 1920s and 1930s, observers of business management began to feel the incompleteness and shortsightedness in the scientific as well as administrative management movements. The scientific management movement analyzed the activities of workers whereas the administrative management writers focused on the activities of managers. The importance of the man behind the machines, the importance of individual as well as group relationships in the work place were never recognized. Development of neo-classical theory (behavioural

humanistic/human relations approach) was crystallized in the Hawthorne Experiments conducted from 1924 to 1932 at the Hawthorne plant of Western Electric, located near Cicero, Illinois.

The Hawthorne Experiments

The Hawthorne Experiments consist of two studies conducted at the Hawthorne Works of the Western Electric Company in Chicago from 1924 to 1932. The study's particular focus is on lighting and attempts to operationalize many of the principles of scientific management.

The initial study in 1924 was conducted by a group of engineers seeking to determine the relationship of lighting levels to worker productivity. The study was done in connection with the National Research Council of the National Academy of Sciences.

The results of the study findings are extremely interesting since worker productivity increases as the lighting levels decrease until the employees are unable to see what they are doing after which performance naturally declines.

Beginning in 1927 a second group of experiments commenced with a group of five women in the bank wiring room. During the course of the experiment, the experimenters conducting the study supervise the women. Additionally the workers in the experimental group are given special privileges including the right to leave their workstation without permission, rest periods, free lunches and variations in pay levels and workdays. As with the first set of experiments, the second group of experiments results in significantly increased rates of productivity.

In the second experimental study in 1928 the Harvard researchers, F. J. Roethlisberger, Professor of Human Relations, and Elton Mayo, a Professor of the Industrial Research Department, became associated with it.

After extensive research, the results were not published until 1939, they conclude the primary determinant of the increase in productivity is the change in the supervisory arrangement rather than the changes in lighting or other associated worker benefits. Since the experimenters became the primary supervisors of the employees, the intense interest they displayed for the workers was the basis for the increased motivation and resulting productivity. Essentially the experimenters became a part of the study and influenced its outcome. This is the origin of the term Hawthorne Effect describing the special attention researchers give to a study's subjects and the impact it has on its findings.

While the result of the Hawthorne studies failed to answer the specific question of the relation between illumination and worker productivity, the study did create a strong theoretical foundation for the human relations view of management.

Stoner summarized the contributions of Hawthorne studies thus:

- ❖ Productivity is not an engineering problem.
- ❖ A true concern for workers pays rich dividends.
- ❖ People management skills as opposed to technical skills are necessary for a successful manager.

Good interpersonal and intergroup relationships among people need to be maintained to obtain productivity gains. Mayo's work led to a new interest in the dynamics of groups.

Human Resources (Behavioural Sciences) Era

The Hawthorne experiments revealed the work organization to be a social system and pointed to the need for a rigorous examination of psychological and social aspects of organizational behaviour. Later researchers tried several sophisticated research methods to understand the nature of work and the people in the work environment. These later researchers were regarded as 'behavioural scientists' rather than human relationists. Behavioural scientists like McGregor, Maslow, Herzberg, Argyris, Likert etc. firmly believed that in place of the concept of social man the concept of self-actualizing man would be more appropriate to explain human motivations. They have emphasized the value of more democratic, less authoritarian, less hierarchically structured organizations than suggested by the classical writers.

The Human Resource Approach assumes that the job, or task itself is the primary source of satisfaction and motivation to employees. The emphasis in the human resource approach is on individual involvement in the decisions made in the organization.' In addition this approach emphasizes the following things:

- ❖ People do not inherently dislike work if they have helped establish objectives they will want to achieve them,
- ❖ Most people can exercise a great deal of more self-direction, self-control and creativity than are required in their current jobs (theory Y).
- ❖ The manager's basic job is to use the untapped human potential in the service of the organization.
- ❖ The manager should create a healthy environment wherein all subordinates can contribute to the best of their capacities. The environment should provide a healthful, safe, comfortable and convenient place to work.
- ❖ The manager should provide for self-direction by the subordinates and they must be encouraged to participate fully in all important matters.
- ❖ Expanding subordinate influence, self-direction and self-control will lead to direct improvements in operating efficiency.

❖ Work satisfaction may improve as a 'by-product of subordinates making full use of their potential.'

Douglas McGregor (1906-1964)

Douglas McGregor was a professor of management at the MIT. He is best known for his views on two contrasting sets of administrative behaviour called as Theory X and Theory Y-explained in his book *The Human Side of Enterprise*. Theory X assumes that lower order needs dominate individuals. Theory Y assumes that higher order needs dominate individuals. McGregor felt that factors like (i) participation in decision-making, (ii) responsible and challenging jobs, and (iii) group relations (good), would maximize an employee's job motivation.

Rensis Likert (1903-1972)

Rensis Likert, Director of the Institute of Social Research, University of Michigan, wrote two famous books: *New Patterns of Management and Human Organization*. According to Likert, the traditional job-centered supervision is mainly responsible for low productivity and poor morale of employees. He, therefore, advocated the employee-centered approach where maximum participation would be given to operatives while setting goals and making decisions. Likert is best known for his classification of leadership styles into four categories:

System 1 (Exploitative Autocratic): Leaders have no confidence or trust in subordinates. Subordinates are deprived of participation in decision-making.

System 2 (Benevolent Autocratic): Management has condescending confidence in subordinates just as a master has towards a servant.

System 3 (Participative): Leaders have substantial but not total confidence in subordinates. Participation is meaningful and employees are permitted to participate in decisions affecting their lives.

System 4 (Democratic): Participation is meaningful, as leaders have complete confidence and trust in subordinates. According to Likert, system 4 is an ideal management style and is associated with high productivity, low costs and good labour relations.

In an attempt to integrate individual and organizational goal Likert developed the concept of 'Linking pin'. In this approach each work group is integrated with the rest of the organization by means of persons who are members of more than one group. Members with such overlapping membership are known as 'linking pins', Accordingly, every employee acts as a linking pin for the units above and below him.

Chris Argyris

Argyris is an eminent social scientist and professor of Industrial Administration at Yale University: Argyris is well known for his immaturity-maturity model of personality. His basic argument is that formal organization requires 'behaviour that tends to frustrate, place in conflict and create failure for, psychologically healthy individuals'. The traditional, pyramid-type organizations create childlike roles for employees; they are encouraged to be passive, dependent and subordinate. To improve morale and productivity, employees must be given more responsibility, authority, and increased control over the decisions affecting their lives.

David C. McClelland

David C. McClelland of Harvard University performed research on motivation patterns. Using the Thematic Apperception Test (TAT) where an individual writes a descriptive analysis of their individual reactions from unstructured pictures, McClelland determines the motivational state of the subjects.

Based upon this research, McClelland developed an achievement motivation theory consisting of four sets of needs: achievement, affiliation, competence and power.

Achievement motivation is a need people have to succeed through overcoming challenges. The affiliation motivation is similar to Maslow's belongingness and love need where people relate to others on a social basis. The competence need is the desire to accomplish a job well done, and the power motivation is the need to control others and make a difference in the outcome of a given situation.

McClelland believes people have strong needs. His achievement motivation theory is important for managers seeking understanding of employee motivational patterns.

Undoubtedly, the human relation pioneers and human resource school have looked beyond the structural arrangement and rules and relation of classical school. However, they are of different view on human behaviour and perception about human needs and work place. While human relation emphasized social man, human resources are of the view of self-fulfilling man.

Furthermore, while trying to consider another method of achieving organizational effectiveness and efficiency with little attention to classical view, their opinions were similar in considering human being at work but differ on how and what human being perceived work place in terms of their needs.

MODERN MANAGEMENT THEORIES

The past thirty years witnessed a 'knowledge explosion' in the field of management. Books and journals are flooded with multifarious theories regarding management of organizations. Research in the field is continually expanding. During this period management writers have been primarily concerned with integrating the findings of scientific management, principles of management and human relations movements.

As Harold Koontz pointed out, a 'management theory jungle' arose when each of these movements went off in its own direction and ignored the others. However, two integrating trends have developed throwing adequate light on the dynamic nature of management, namely: the Systems Approach and the Contingency Approach.

These modern management theories consider all elements, the whole organization as well as its component parts.' The organization is viewed as an adaptive system which must, in order to survive, adjust to environmental changes. The organization and its environment are seen as interdependent; each depends on the other for resources from scientific management, human relations, and the work of Fayol to the modern addition of the behavioural sciences, and systems theory the field management may be viewed as having a rich heritage. "It is this background that furnishes a foundation for understanding contemporary management theory and practice,"

The systems approach to management owes its origin to the General Systems Theory (GST), developed by Ludwig Von Bertalanffy. Writers like Fremont E. Kast and James E. Rosenzweig; Daniel Katz and Robert L. Trist have also made significant contributions to development of systems approach in business in recent years. GST, simply provides a common platform for studying relationships in the real world. It "embraces a major, ongoing attempt to identify how certain general laws and concepts unify a number of different fields".

System's Approach

A system, in simple terms, is a set of interrelated parts. It is a group of interrelated but separate elements working toward a common purpose. The arrangement of elements must be orderly, there must be proper communication facilitating interaction between the elements and finally the interaction should lead to achievement of a common goal. A university, for example, is made up of students, teachers, administrative and non-teaching staff who relate to one another in an orderly manner. What one group does has serious implications for the others. So, must be communicating with each other in order to achieve the overall goal. Thus, the enterprise operations are viewed in terms of basic elements. The enterprises are viewed as procuring and transforming inputs into outputs. Employees, physical faculties, money and the managers themselves are parts of the system. Inputs are the materials, information and energy flowing into the organization. The outputs are products, services, and satisfactions provided by the organization.

The systems approach provides a unified focus to organizational efforts. It gives managers a way of looking at the organization as a whole that is greater than the sum of its parts. The stress is laid on interrelationships in isolation. This emphasis avoids some of the serious problems of a 'components' mentality in which departments work out their own goals at the cost of others. Therefore, a major contribution of the systems approach results from its strong emphasis on the interrelatedness or mutuality of the parts of an organization. Another important benefit of systems theory lies in its treatment of the organization as an open system. An open system imports something from the environment and exports something into the environment.

Features of Systems Theory of Management

According to Herbert, Hicks and Gullett. the systems theory of management is characterized by the following:

- 1) **Dynamic.** Within the organization, the process of interaction between subsystems is dynamic. This contrasts with the classical view which emphasized mostly the static structure.
- 2) **Multi-level and Multi-dimensional:** Modern theory of management is both a -micro approach. It is micro within the nation's industrial network, and it is macro with respect to its internal units.' The modern manager is forced to recognize the importance of parts as well as the whole. An organization can interact with other organization at macro level in multifarious ways.
- 3) **Multi-motivated:** Motivation is an extremely complex process and drawing simplistic equations is a futile exercise. Organizational or its component parts, objectives cannot be reduced to a single objective like profit. An act may be motivated by several motives.
- 4) **Probabilistic:** Operating under highly turbulent and dynamic environment management can never be deterministic as suggested by the classical theorists. Modern theory tends to be probabilistic. "Statements in modern theory tend to be qualified with phrases such as 'may be', 'in general' and 'usually' because modern theory recognizes that few predictive statements can be made with certainty.
- 5) **Multi-disciplinary:** Modern theory of management is enriched by contributions from various disciplines like sociology, psychology, economics, anthropology, ecology, mathematics, operations research and so on.
- 6) **Descriptive:** Instead of providing certain prescriptions, modern management theory describes the features of organizations and management. Individuals are free to select the objectives and the methods to improve organizational effectiveness.
- 7) **Multi-variable:** There is no simple cause effect phenomenon in organizational activities. An event may be the product of man_' factors that are, in turn, interrelated and interdependent.
- 8) **Adaptive:** Organizations are inextricably intertwined with environment. In the face of change, an organization and its environment are expected to rearrange their parts. Organizations try to cope with

environmental changes through the 'feedback' mechanism. To be viable, an organization must produce outputs acceptable to components in environment.

Contingency Theory

In recent years, especially after 1970s, writers like Selznik, Burns and Stalker, Woodward, and Lawrence and Lorsch along with the work of James Thompson have discussed the word 'contingency' and how it evolved in the field of management. One important contribution of the contingency perspective may best be summed up in the statement that 'there is no one best way to manage.' There are many effective ways to perform various management functions. According to this approach the best way to lead, plan, organize, and conduct managerial activities varies with the situation. A particular method may yield fruitful results in one situation but may lead to disastrous results in other situations. In some situations managers' best approach to a subordinate may be directive and dictatorial; in others, a -sympathetic and democratic approach may be appropriate. Thus, according to the contingency approach, there are no plans, organization structures, leadership styles, or controls that will fit all situations. There are few, if any, universal truths, concepts, and principles that can be applied under all conditions. Instead, every management situation must be approached with the 'it all depends' attitude. Managers must find different ways that fit different situations. They must continually address themselves with the question: Which method will work best here? For example, in order to improve productivity, classical theorist may prescribe work simplification and additional incentives; the behavioural scientist may recommend job enrichment and democratic participation of employees in the decision-making process. Instead, a manager trained in the contingency approach, may offer a solution that is responsive to the characteristics of the total situation being faced. Organizations characterized by limited resources, unskilled labour force, limited training opportunities, limited products offered to local markets-work simplification would be the ideal. Job enrichment programme would work better if the organization employs skilled labour force. Managerial action depends upon circumstances within a given situation. No one best approach will work in all situations. Applying a contingency (situational)' approach requires that managers diagnose a given 'situation and adapt to meet the conditions present. According to Robert Albanese the strength of contingency theory rests on two points:

First, it focuses attention on specific situational factors that influence the appropriateness of one managerial strategy over another. Second, it highlights the importance to managers of developing skills in situational analysis. Such skills will help managers find out important contingency factors that influence their approach to managing.

Concluding Remarks

The development of management thought has followed societal trends over three decades. The nineteenth century industrial revolution and twentieth century of academic and motivational writers are of great importance to old and new management ideas. The contribution of Charles Babbage, Henry Towne of industrial era to the classical school and bureaucratic school of the early twentieth century were the effort driven era of comprehensive theory of management.

Frederick Taylor, the engineer, made a major effort to consolidate and establish scientific method of management championed by writers before him. Henri Fayol was the father of modern day management with his administrative management school and publication in an era where no or little attention was placed on management books. Weber and his bureaucratic system gave an organizations structural direction.

The behavioral school made a profound influence on management theory with the introduction of humanistic and motivational approaches to the development of management concepts that are different from the era of classical school of thought.

The contemporary management school of thought brings a more interdisciplinary approach to the field of management, writers like Elton Mayo, McGregor, Abraham Maslow, Herzberg and Likert made major contributions to the human related aspect of an organization. The connectivity of the systems approach and contingency theory give managers ability to be flexible in their decision making role and function.

Conclusively, there are similarities and differences in development of management thought from the industrial era to the twenty first century because management thoughts are based on cultural and structural view of human beings attitude and perception about the environment where they find themselves and also the integration of cultures and trend of the world turning into a global village which is no longer contestable. Thus, every activity therein seems to be conforming to dynamics of the changing world.

Since culture relates to the way of life of people and management considers activities of human being, management theories and practices are no exceptions to this rule while the old theories are trying to find relevance in modern day activities, more new theories are emerging on daily basis to take care of new challenges in organizations as well as divergence in the cultural believe and perception of managers and managed.

As competition, environmental complexity and human attitude and perception become unstable and driven force, study of how to manage will continue to be a major issue for organizational survival. Consequently, the research into how to manage different situations will be endless and opinions generated vary depends on

situations world at large faced at every point.

Furthermore, the arrangement of management theories and practice to take care of management challenges will be the key priority of the academic, practicing and retire managers and it will be on going never ending and opinions and suggestions similar or different from time to time.

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