Management Thought : Development And Impact

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Abstract :-

The main purpose of this research paper is to understand the development of management thought during last century. It also emphasises on the need and importance of management thoughts at various stages right from classical approaches to the modern time approaches. The management being universal approach becomes very important in the field of economy and all aspects of business. Paper concludes that there will be further more developments in the management thoughts with the changing form of business.

Keywords :-

Thought, Development, Propounded.

Introduction :-

Origin of management dates back to the starting of human civilization. Management consists of various variables of all the fields. Management is very much important for all the business organisations; they cannot survive without proper management. It has also become very important in all other spheres of society apart from business circles. It plays a very crucial role in social, household, economic as well as in political activities. The growing interest in management study has evolved various new ideas, concepts, philosophies and thoughts of management over the past decades and last century. With the growing need of business and society the modernisation of management thoughts has taken place. Management thought has been classified into three stages such as classical approach propounded in early 20th century, neo classical approach in mid of 20th century and latest is modern theories of management in later 20th century. These theories modified as
per need of business and social activities also grown, which made it important of change in management thoughts with changing perspective of business and society. To cater the need of present age classical thoughts of management cannot be applied properly. Therefore modern approaches are used in present era. The major problem of business is to select the appropriate theory of management and no single theory can be said exact theory. Management thoughts are developing with a fast speed and will be developed more in future to cater the future management and business needs.

**Review of literature :-**

Management thoughts provided by many classical authors like Max Webber, F.wTaylor Scientific management and Fayol have given their ideas on management. Later Elton Mayo, Maslow, Mcgregor propounded neo classical thoughts which were more classified and developed from classical thoughts. Modern concept by Boulding, Johnson and Lawrence, operation research analysis by Taylor shows that management thoughts get developed by changing environment of management. Therefore its very important to study the development and its new concepts which can be propounded in future.

**Objectives of the study :-**

1. To understand the development of management thought.
2. To expose the hidden concept of management thoughts.
3. Proper analysis of management thoughts and there values in present scenario.

**Research Methodology :-**

This study is purely based on thoughts propounded by various experts in their respective fields. For analysis we have studied these thoughts deeply with help of suggestions from experts of management. Find the actuality and objective about deep meaning of thoughts and co-relating it with present scenario.

**Historical Background of Development of Management Thoughts :-**

Since the development of industrialisation the humans have started forming social groups and organisations to accomplish their specific goals. The complicated structure of organisation itself reveals that an individual himself cannot do all the work alone but with group of individuals managed properly. Management as an applied technique has its universal approach got developed from various fields of study such as economics, sociology, political science, philosophy, anthropology and psychology. Development of management shows some evidence in pre scientific era where ancient records in china and Greece indicates the importance of organisation and administration but less to principles of management. Some merchants in Venice, Italy (1400-1450) operated different types of organisations like partnership firm and holding companies. Many basic management ideas like delegation and principles of scalar chain were effectively used by the Romans. Babbage, Thomas Moore and Machiavelli writers of 16th century considered the concept of ideal state in management.

**Development of Approaches To Management Thought :-**

The evolution of management thought is divided into 3 stages. The school of management thought of Classical approaches, Neo Classical Approaches and modern approaches. The classical theory stage of management came into being as a result of industrial revolution of Europe in 1980. This stage thought of management consist of three prominent theories of management ( Scientific, Administrative and Bureaucratic). Main elements of this thought are division of labour, departmentalisation, Scalar processes and span of control. Major contributors
of this thought are Henry Fayol, F.W Taylor and Max Webber. This era is also known as scientific era of Management.

The neo classical thoughts of management also known as human relation approach and personnel management thought as it deals with the human factor. This thought lays more emphasis on concept of psychology and sociology. Major contributors of this era are Elton Mayo who gave the human relation approach in 1930 and Maslow and McGregor gave the important theories of behavioural science based thought in 1940. This theory stresses on the psychological environment functioning in the organisational activities among the people.

The Modern management thought started after 1950. These thoughts are classified into 3 stages quantitative approach based on operations research analysis developed by Taylor. As per this thought statistical tools and methods of analysis are used for the betterment of managerial activities. The system approach developed by Boulding and Johnson tried to provide a sequence of management functions and last thought is contingency approach propounded by Larch and Lawrence in this they expressed that management is a kind of activities which perform in contingency conditions towards to certain desired goals. Peter Drucker is the finest management thinker of Modern thought due to his contribution to value creation.

Classification of Schools of management:

- **Classical School:** Management as a separate field started its activities in second half of 19th century. Some contributors to classical school of management are Robert Owen, Charles Babbage and Boulton. There are three well established theories of Classical school.

  - **Bureaucratic Management Approach:** Max Weber, the German sociologist developed the bureaucratic organisational theory. The theory focused on the authority structure of the organisation. He characterised the organisation on the basis of division of work, Hierarchy of positions, rules and regulations, depersonalisation, Staffing, Technical competence and official records. He emphasised more on the authority of manager of his job held rather than Charisma and tradition.

  - **Scientific Management Approach:** Frederick W. Taylor enunciated the scientific management approach. He was of the opinion that there is science for each work therefore gave scientific approach to management also. He focused on the principle of replacement of rule of thumb and initiate scientific methods of analysis, measurement and investigation. This theory laid emphasis on getting maximum output through the cooperation, distribution of work and development of workers by taking rational decisions with scientific methods. He said that there is one best way of doing things applicable to all situations of art of knowing the way to get men doing work in best and cheapest way.

  - **Administrative Management Approach:** Henry Fayol developed Administrative management approach also known as functional approach to management. This theory gave more emphasis on functional approach unlike the scientific approach. He divided total industrial undertakings into six activities like Technical, commercial, Financial, Security, Accounting and managerial. His major contribution is fourteen principles of management which includes Authority, Unity of command and direction, Centralisation and Esprit de corps.

- **Neo Classical School:**

  - **Human relation approach:** Elton Mayo known as father of Human Relation Movement developed this approach based on his work Hawthorne studies. His focus was to study organisation as a social system and men as a social man where man can be motivated through non economic awards which results in the better inter-personal relations. However
this theory was criticised due to lack of vigorous and scientific research then also Mayo’s work was a great contribution in the development of management thoughts.

**Behavioural Sciences movement :-** Major contributors to this approach are Rensi Linkert, Chester Bernard, Abraham Maslow and Douglas Mcgregor. This movement was the advanced version of human relation approach. This gave more importance to motivation of employees, leadership study of managerial behaviour, organisation as a social system, employee development and communication for better development.

- **Modern School of Management**
  - Quantitative or operations research management school :- This approach developed from scientific approach but later developed with the present complexities of business organisations. Basically management is concerned with problem solving and should use mathematical techniques as management problems can be depicted in quantitative symbols. Some basic methodologies developed by this school are simulation and operational research.
  - System management school :- This management school has a conceptual base and explains complex organisation structure in a scientific way. This focuses on two types of systems like open and closed systems where input gets outputs through a proper process.
  - Contingency or situational school of management :- Major contributors of this school are Jay Lorsch, Joan Woodward and Paul Lawrence. This theory explains that there is no specific way of management to all the situations. Managers have to find out techniques and methods to solve problems that suit best to the present prevailing situation.

**Conclusion :-**

He study reveals that the thoughts of management are developed with the development of business area and their scope which thing also increase the importance of management in business activities. Management thoughts got complicated with the increased complications of business activities in modern as compared to earlier stages. When management was also easy and simple as business activities were also very easy. Thus, there are more chances of development of new ideas of management with the changing environment and new concepts of business activities.

**References :-**