Classical and contemporary management

International InformationTechnologyUniversity| Classical and Contemporary Management | Introduction The world of managing people and processes continues to change dramatically. Managers are faced with the conflicting challenges of understanding and motivating an increasingly diverse workforce, being open and accountable to a wide variety of stakeholders, planning for the future in an increasingly changingenvironmentand considering the ethical implications of decision-making.

Nevertheless there is a basis of knowledge that was experienced in the years of production boom which is called classical theory of management. In this paper I will describe them both and provide advantages and drawbacks of each. The Classical School of Management The classical school is the oldest formal school of management. Its begins to develop from the 20th century. The classical school of management generally concerns ways to manage work and organizations more efficiently. Three areas of study that can be grouped under the classical school are: scientific management, administrative management, and bureaucratic management.

The classical school of management has sought to define the essence of management in the form of universal fundamental functions. These, it was hoped, would form the cognitive basis for a set of relevant skills to be acquired, by all would-be managers through formaleducation. Body of the classical school's management thought was based on the belief that employees have only economical and physical needs, and that social needs and need for job-satisfaction either don't exist or are unimportant.

Accordingly, this school advocates high specialization of labor, centralized decision making, and profit maximization. See also behavioral school of

management, contingency school of management, quantitative school of management, and systems school of management. The classical management theory is a school of management in which theorists delved into how to find the best possible way for workers to perform their tasks. The classical management theory is divided into two branches, the classical scientific and the classical administrative.

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The classical scientific branch comes from the scientific mindset of attempting to increase productivity. During the height of the classical scientific theory, theorists would use almost mechanical methods towards labor and organization to achievegoalsof productivity and efficiency. Some of the basic techniques of the classical scientific theory include creating standardized methods for a task and dividing work between employees equally. On the other hand, the classical administrative theory focuses on how management can be organized to achieve productivity.

Henri Fayol, a leading figure in management theory, devised several management theories geared towards efficiency, such as creating a unified direction among managers, centralization, and discipline. Other management theories focused on building team confidence, such as establishing teamwork, using initiative, and equity. Strengths of Classical Management Theory Current management organization and structure can find much of its roots from the classical management theory. One of the

main advantages of the classical management theory was to devise a methodology for how management should operate.

Management principles devised during this period can be seen as a foundation for current management behavior today, such as serving as a force of authority andresponsibility. In addition, another benefit of the classical management theory is the focus on division of labor. By dividing labor, tasks could be completed more quickly and efficiently, thus allowing productivity to increase. Division of labor can be seen in many applications today, ranging fromfast foodrestaurants to large production facilities.

In addition, the classical management theory also gave rise to an autocraticleadershipstyle, allowing employees to take direction and command from their managers. Weaknesses of the Classical Management Theories Classical theories and the principles derived from them continue to be popular today with some modifications. Many criticisms have been directed at the classicists. Several major ones are discussed here. Reliance on experience - many of the writers in the classical school of management developed their ideas on the basis of their experiences as managers or consultants with only certain types of organizations.

For instance, Taylor's and Fayol's work came primarily from their experiences with large manufacturing firms that were experiencing stable environments. It may be unwise to generalize from those situations to others especially to young, high-technology firms of today that are confronted daily with changes in their competitors' products. Untested assumptions - Many of the assumptions made by classical writers were based not on scientific tests

but on value judgments that expressed what they believed to be proper life-styles, moral codes, and attitudes toward success.

For instance, the classical approaches seem to view the life of a worker as beginning and ending at the plant door. Their basic assumption is that workers are primarily motivated bymoneyand that they work only for more money. They also assume that productivity is the best measure of how well a firm is performing. These assumptions fail to recognize that employees may have wants and needs unrelated to the workplace or may view their jobs only as a necessary evil. Failureof considering the informal organization.

In theirstresson formal relationships in the organization, classical approaches tend to ignore informal relations as characterized by social interchange among workers, the emergence of group leaders apart from those specified by the formal organization, and so forth. When such things are not considered, it is likely that many important factors affecting satisfaction and performance, such as letting employees participate in decision making and task planning, will never be explored or tried.

Unintended consequences - classical approaches aim at achieving high productivity, at making behaviors predictable, and at achieving fairness among workers and between managers and workers; yet they fail to recognize that several unintended consequences can occur in practice. For instance, a heavy emphasis on rules and regulations may cause people to obey rules blindly without remembering their original intent. Oftentimes, since rules establish a minimum level of performance expected of employees, a minimum level is all they achieve. Perhaps much more could be achieved if the rules were not so explicit.

Human machinery classical theories leave the impression that the organization is a machine and that workers are simply parts to be fitted into the machine to make it run efficiently. Thus, many of the principles are concerned first with making the organization efficient, with the assumption that workers will conform to the work setting if the financial incentives are agreeable. Static conditions - organizations are influenced by external conditions that often fluctuate over time, yet classical management, theory presents an image of an organization that is not shaped by external influences.

Since many of these criticisms of the classical school are harsh, several points need to be made in defense of writers during this period. First, the work force was not highly educated or trained to perform many of the jobs that existed at the time. It was not common for workers to think in terms of what " career" they were going to pursue. Rather, for many, the opportunity to obtain a secure job and a level of wages to provide for their families was all they demanded from the work setting. Second, much of the writing took place when technology was undergoing a rapid transformation, particularly in the area of manufacturing.

Indeed, for many writers, technology was the driving force behind organizational and social change. Thus, their focus was on finding ways to increase efficiency. It was assumed that all humankind could do was to adapt to the rapidly changing conditions. Finally, very little had been done previously in terms of generating a coherent and useful body of management theory. Many of the classical theorists were writing from

scratch, obliged for the most part to rely on their own experience and observations. Thus their focus is understandably narrow.

The Classical School of Management was effectively the first coherent set of theoretical perspectives about organization and management covering Scientific Management, Administrative Management and Structuralized Management. As we know, F. W. Taylor, Henri Fayol, and Max Weber are outstanding contributors of Classical School of management thought who made great contribution and laid a foundation for contemporary management. Contemporary Management The world of managing people and processes continues to change dramatically.

Managers are faced with the conflicting challenges of understanding and motivating an increasingly diverse workforce, being open and accountable to a wide variety of stakeholders, planning for the future in an increasingly changing environment and considering the ethical implications of decision-making. Contemporary Management offers a fresh and integrative view of the manager in the workplace in line with this changing environment. It views the manager as a person, working with people and within an organization, and holding values and ethics.

As such, modern issues such as diversity, cultural change and global management are given careful attention. Management is an integrated and sometimes intricate balance of dealing with people within an organizational context. The year that the modern management theory was born was 1911. This year was the year that Frederick Winslow Taylor published his book " Principles of Scientific Management", where he describes the theory of

scientific management which is the use of the scientific method to define the " one best way" for a job to be done.

Taylor is known as the father of scientific management. He was a mechanical engineer with a Quaker Puritan background and was appalled at the inefficiency of workers. Employees used different techniques to do the same job. Taylor set out to correct the situation by applying the scientific method to jobs on the shop floor. Organizations can be viewed as two or more people coordinate and combine in use of their knowledge as well as technique for the purpose of accomplishing common objectives that transform resources into goods and service which are needed by consumers.

Organizational behavior refers to the systematic study that primarily access influence of individuals, groups and structure on interior organizational conducts in order that organizational effectiveness can be improved and perceived. Taylor wanted to create a mental revolution among the workers and management by defining clear guidelines for improving production efficiency. He defined four principles of management which are: 1. Develop asciencefor each element of an individual's work, which replaces the old rule of thumb method. . Scientifically select and the train, teach, and develop the worker. 3. Heartily cooperate with the workers so as to ensure that all work is done according to the principles of the science that has been developed. 4. Divide work and responsibility almost equally between management and workers. Management takes over all work for which it is better fitted than the workers. Taylor argued that following these principles would benefit both management and workers. Workers would earn more pay, and management more profits.

Using scientific management techniques, Taylor was able to define the one best way for doing each job. Then, he could select the right people for the job and train them to do it precisely in this one best way. TO motivate workers, he favored incentive wage plans. Overall, Taylor achieved improvements in productivity of 200 per cent or more. He stated that the role of managers is to plan and control, and that of workers to perform as they were instructed. On the other hand, the classical administrative theory focuses on how management can be organized to achieve productivity.

Henri Fayol, a leading figure in management theory, devised several management theories geared towards efficiency, such as creating a unified direction among managers, centralization, and discipline. Other management theories focused on building team confidence, such as establishing teamwork, using initiative, and equity. General administrative theorists are writers who developed general theories of what managers do and what constitutes good management practice. For example, the functional view of the manager's job owes its origin to Henry Fayol. They became a frame of reference against which many current concepts have evolved.

Conclusion In this paper I have described both schools of management and their advantages and disadvantages, as well as their features and fields of use. Some of them are not used in modern days, some are still actual for us. Anyway those fields of science are developing dramatically from day to day, so may be in next 10 years the modern school of management would be considered as classical. References: http://www. businessdictionary. com/definition/classical-school-of-management. html http://www.

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