

History of management

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Without any doubt, the question of work, roles and skills of a manager gets a mixed response. Some believe that these features are the shared by managers all over the world, while others maintain that there are significant differences in management of different countries that have given rise to such a notion and a process as the intercultural management. Which one of the above-stated arguments has an element of truth and could they be both regarded as authentic?

First of all it cannot be denied that the science of management has a long history and perhaps all modern managers employ principles and theories that have been introduced earlier. To start with, it was the Industrial Revolution that established big business and created the need for professional leaders. Furthermore, years of military and church rule added management models and terminology that are widely used today. Let us only recall Max Weber's bureaucratic theory or that of Frederic Taylor who is commonly regarded the Father of Scientific Management and proposed some ways of increasing workers' productivity.

On the basis of his research at Bethlehem Steel Company (Pittsburgh) he drew conclusions that the job can be split into minute parts and its performance can be improved by timing performance of each part separately. Furthermore, he suggested rest periods of special interval and duration and a differential pay scale that can be found in the practice of today's managers (1). The famous method of overlapping tasks during the period of working day in order to avoid workers becoming tired easily was offered by Henry Gantt and displayed in the form of his 'the Gantt chart'.

Though not all of the managers may know the name of inventor of this tenet, but, for sure, most of them are acquainted with its expression and benefits it can provide. Moreover, it was Gantt who stressed the significance of the leadership and management qualities and skills for creating successful industrial organizations. The man who is dubbed as the Father of Modern Management is Henri Fayol, a French industrialist who developed a framework for studying management and wrote *General and Industrial Management* (1).

He distinguished five functions of managers, such as: planning, organizing, commanding, coordinating, and controlling. As we see, all theorists and pioneers of management theory originated from various countries (England, France, United States, etc.); however this did not impede the principles they have set out from becoming universal. Times are changing and so are doing the people but some essential things and useful hints are immortal and not subject to ageing. Let us take a closer look into the work of a manager disregard of the geographical location of his working place and language he speaks.

Nobody would argue that the better we understand the management role; the better it will be performed and more qualitative services will be provided. Some people wrongly consider managers to be emotionless and cold fish and claim something like: " managers see work as something that must be done or tolerated," " management focuses attention on procedure," and " management sees the world as relatively black and white" (2, 2005: 25). Yet, from our point of view, such standpoint is biased and far from being impartial.

One should keep in mind that managers are also humans but the best among them have that gift for organizing and feel themselves capable of being at the head of other people and controlling not only their work but their lives in a way. Nevertheless, the manager's work is not restricted to the above-mentioned issues only. Putting it by words of Carter McNamara, MBA, PhD, leadership is just one of the numerous facets of management, " just one of the many assets a successful manager must possess" (3).

Therefore, it would be easier to determine the aim of a manager, which can be expressed as maximizing the output of his company with the help of effective administrative measures. This brings us to the definition of management itself that for short can be rendered as " the process of attaining organizational goals in an effective and efficient manner through planning, organizing, controlling, and directing organizational resources" (2).

Note, that leadership is covered by the single function of controlling. Planning comprises development of company strategies and goals. To put it differently, on this stage a manager has to define the direction of his business and some milestones to be taken into account. Moreover, planning involves also defining budget and plans of operation, i. e. methods of achieving previously fixed goals.

In brief, on the phase of planning a manager proves to be a good forecaster capable of determining the far-reaching objectives. The following function and stage is organizing, which means right people on the right working places. In other words, this function presupposes that a manager must objectively consider knowledge and skills of his employees and offer them jobs that are most appropriate. Remarkably that some theorists of <https://assignbuster.com/history-of-management/>

management call this function as " staffing" but to our mind, this notion is an element of organizing.

Admittedly that “ given the high levels of discretion enjoyed by knowledge workers, managers' decisions over work distribution, content and resources become more critical for commitment and knowledge creation” (4, 2005: 383-424). To sum up, organizing function covers establishing superior/subordinate relationships, as well as determining the scope of staff's obligations and responsibilities. The ‘ controlling’ function means checking that work is carried out in a proper way and funds are spent with regard to their purpose.

The coordinating function covers training, team building, etc. and refers mainly to work with human resources, but not the production process. It should be added that effective managers should be good communicators and analysts. They should “ have guts” to resist constant stress and be able to operate under unfavorable conditions. Furthermore, managers are responsible for friendly environment within a company, which engages problem-combating, settling conflicts, searching for best solutions, etc. What is more they should be assertive enough to bring forward their ideas and convince the opponents to give preference to their views.

Still, that does not mean that all managers should be inborn leaders, whatever. Even more, as J. P. Kotter wrote in his 1991 " The Best of the Harvard Business Review" article, What Leaders Really Do: " Leadership is different from management, but not for the reason most people think. Leadership isn't mystical and mysterious. It has nothing to do with having charisma or other exotic personality traits. It's not the province of a chosen

few. Nor is leadership necessarily better than management or a replacement for it.

Rather, leadership and management are two distinctive and complementary activities. Both are necessary for success in an increasingly complex and volatile business environment" (5, 1991: 26). However, in spite of the fact that there are some common features of manager work found in different countries and irrespective of borders, such as the key principles of management in a whole and functions of managers, it has been stated above that managers are the same people. Consequently, their cultural and personal peculiarities are reflected on their work.

The former has even given rise to the completely new theory – intercultural management. The most significant factors that have enabled the emergence of this theory are the following: continuous globalization of economy and merge of businesses, establishment of joint ventures, foreign representative offices, etc. As a result, people started to pay more attention to the intercultural diversity of managing styles and traditions along with all-nation values and convictions. Should to go, when in Rome, do as the Romans do, but in order to comply with this rule one should know it.

Notably, that in her article in the Financial Times by Elisabeth Marx titled 'Shock of the alien can sink a merger', for example, it was mentioned that " Research on cross-border acquisitions has shown that differences in management style (particularly in attitudes towards risk) have a negative effect on company performance. Sadly, very few companies consider the softer, cultural factors of mergers, which may be a significant contributor to

their subsequent failures. Far too few companies even begin to consider the effects on staff or the human implication of a merger".

Furthermore, the article goes on to manifest that " it is easy to end up in a situation where the whole is worth less than the sum of its two parts". Hence, the reasonable solution here may consist in following the statement and credo: " Managers' first task is to conduct more extensive business analysis before taking the decision to merge. In addition to carrying out traditional financial and commercial due diligence, they should complete a thorough examination of the cultural compatibility of the parties involved" (6, 2005: 2).

The same can be applied to all spheres where business is conducted and companies in any country. Yert, the most frequent use of intercultural management tenet is observed within such association as, for instance, international markets, by merging with foreign companies, projects involving multi-cultural teams, international negotiations and so on, and so forth. Other supporting the intercultural management view theories are three well-known analyses of intercultural management by Edward Hall, Geert Hofstede and Philippe d'Iribarne that illustrate the differences between American and French management styles (7).

Citing Edward T. Hall, intercultural differences in communication are based on the context, on time and on space: " Understanding between people results from the combination of information and its context. Some cultures have a rich context (close links between people, high level of the unspoken/unsaid): these cultures are highly " implicit"; other cultures valuing communication only when it is very clear in itself are said to be " explicit " (7).

This can be exemplified by the French dislike of clearing procedures or by their creativity and flexibility, American productivity and utilitarianism etc (8, 2003: 1333-1349). To sum up, there are common features that can be found among managers all over the world. Managers employ experience of earlier generations as well as coin modern ones. Today, theorists of management clearly define functions and goals of managing work and scope of their responsibilities and obligations. However, on the other hand, it remains disputable whether work of a manager is the same in different countries.

Quite to the contrary, the intercultural management theory declares that every nation has its own management style that should be taken into account when conducting international negotiations and making business with foreign countries. The majority of businessmen can no longer escape the necessity to purchase, sell or communicate and work with people from different cultures and thus with different traditions and convictions. And we are strongly sure that our future is multinational one!

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