

Understand the evolution of management theory commerce essay



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Management and organizations are the products of historical and social time and places. We understand the evolution of management theory as per how people have told, argued, and wrestled with the matters of relationships during the times in history. One of the most important lessons that we can learn from the evolution of management from a whole is that we can learn from trials and tribulations from those who have preceded us in steering the fortunes of formal organizations. as we study the management theory we will also learn the particular concerns of Henry Ford and Alfred Sloan who used to be very different from the managers during their time and now. We can still see that the traditions we follow now was started by these individuals long before our time.

SCHOOLS OF MANAGEMENT:

Many management scholars and practitioners believe that the theories in management are aimed to establish the best way of doing things. But it is also to be considered that “ management theory and science do not advocate the best way to do things in light of every situation”. All the theories of management that are given are in fact meant as a search for fundamental relationships to be used in basic techniques and for organisation of available knowledge based on the knowledge of concept , application and theories. Clearly therefore, effective management is always situational management the application of knowledge to realities with a view to attaining desired results.

(1)EMPERICAL APPROACH:

Scholars belonging to this school believe that clear understanding of the management theories can only be developed by the study and analysis of cases and comparative approach. They strongly believe that it is through the successes and the failures of the managers in their own field and their ability to solve specific problems, which is possible to apply the techniques in similar and comparable situations.

(2)THE INTERPERSONAL BEHAVIOUR APPROACH:

Since the managing is involved in getting things done with and through the people, scholars belonging to this school feel that the study of management should be in accordance or based on interpersonal relations. This approach is termed as ' behavioural science', leadership or ' human relations' approach by different group of scholars in the presentation and the study of theories, this school attached significance to interpersonal relations and personality dynamics, relations of the cultures of individuals and groups. In short this approach or this school leans too heavily on the human aspect of management.

(3)THE GROUP BEHAVIOUR APPROACH:

This approach is closely related to the interpersonal approach. But this school of thought is mainly concentrated on studying the behavioural pattern of members and groups in an organisation. The main and ultimate objective is to indicate the ways of achieving relatively effective organisational behaviour. Belief and thinking of the scholars in this group approach move around the behavioural dynamics of small and large groups in any organisation. They recognise of the organised enterprise as a social

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organism, institutional foundations of organisation authority, influence from the formal organisation and social factors are the main areas of their attention which has helped management who practice in real life situation:

(4)SCIENTIFIC SCHOOL OF MANAGEMENT:

Scientific management theory arose in the part from the need to increase productivity. in the united states especially, skilled labour was in short supply in the beginning of the twentieth century. The only way was to increase the productivity was to raise the efficiency of workers. That's when, Frederick Taylor, Henry L Grant and Frank and Lillian Gilberth devised the body of principles known as scientific management theory.

Fredrick W Taylor:

- Fredrick W Taylor (1866-1915) rested his philosophy on four basic principles.

1. The development of a true science of management so that the best method

for performing each task could be determined.

2. The Scientific selection of workers so that the each workers would be given

responsibility for the task for which he or she was best suited.

3. The scientific education and development of workers.

4. Intimate friendly cooperation between management and labor.

Henry L. Gantt:

Henry L. Gantt (1861-1919) worked with Taylor on several projects but when he went out on his own as a consulting industrial engineer, Gantt began to reconsider Taylor's insensitive systems. Abandoning the differential rate system as having too little motivational impact Gantt came up with new idea. Every worker who finished days assigned work load win 50 per cent bonus. Then he added a second motivation the supervisor would earn a bonus for each worker who reached the daily standard. Plus an extra bonus if all the workers reached it. This Gantt reasoned would spur supervisors to train their workers to do a better job. Every worker's progress was rated publicly and recorded in individual bar charts. In black on days the worker made the standard in red when he or she fell below it. Going beyond this Gantt originated a charting system for production was translated into eight languages and used throughout the world . starting in 1920 s it was use in Japan Spain and soviet union it also formed that the basis of two charting device which were developed to assist in planning, managing , and controlling complex organizations.

The Gilberts:

- Frank B. and Lillian M. Gilbreth(1868-1924) and (1878-1972) made their contribution. To the scientific management movement as a husband and wife team. Lillian and Frank collaborated on fatigue and motion studies and focus on ways on promoting the individual workers welfare. to them the ultimate aim of scientific management was to help workers reach their full

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potential as human beings. In their conception motion and fatigue were intertwined every motion that was eliminated reduced fatigue using motion picture cameras they tried to find out the most economical motions for each task in order to upgrade performance and reduce fatigue.

(5) CLASSICAL ORGANIZATION THEORY SCHOOL:

HENRI FAYOL

Henri Fayol (1841-1925) is generally hailed as the founder of the classical management school not because he was the first to investigate managerial behaviour but because he was the first to systematize it.

Fayol believed that sound manage

1. DIVISION OF LABOR

The most people specialize the more efficiency they can perform their work. This principle is epitomized by the modern assembly line.

2. AUTHORITY

Managers must give orders so that they can get things done while this format give them a right to command managers will not always compel obedience unless they have personal authority (such as relevant)expert as well.

3. DISCIPLINE MEMBERS IN AN ORGANIZATION

Members in the organization needs to respect rules and agreements that govern the organization . To Fayol, discipline results from good leadership at all levels of the organization.

4. UNITY OF COMMANDS

Each employee must receive instruction from one person, Fayol believe that if employee reported. More than one manager conflict in instruction and confusion in of authority would result.

5. UNITY OF DIRECTION

Those operations with in the same organization that have the same objective should be directed by only one manager using one plan. For example the personnel department in the company should not have a two directors each with a different hiring policy.

6. SUBORDINATE OF INDIVIDUAL INTEREST TO COMMON GOOD

In any undertaking the interest of employees should not take the precedence over the interest of organization as a whole

7. REMUNERATION:

Compensation of work done should be common to both employees and employers.

8. CENTRALIZATION:

Decreasing the role of subordinates in decision making is centralization, increasing their role is decentralization. Fayol believed that the managers should retain the final responsibility. But should at the same time give their subordinate enough authority to do the jobs properly. The problem is finding the proper degree of centralization in each case.

9. THE HIERARCHY:

The line of authority in an organization should represent in the neat box and the line of chart runs in order of rank from top management and lowest levels of enterprise.

10. ORDER:

Materials and the order should be in the right place at the right time. People in particular should be in job or position they are most suited to.

11. EQUITY:

Managers should be fair and friendly to their subordinate.

12. STABILTY OF STAFF:

A high employee turnover rate undermines the efficient functioning of an organization.

13. INITIATIVE:

Subordinate should be given the freedom to conceive and carry out their plans even though some mistake may result.

14. ESPRIT DE CROPS:

Promoting team spirit will give the organization a sense of unity. To Fayol even the small factor help to develop the spirit. He suggested for example the use of verbal communication instead of formal, written communication whenever possible.

CONCLUSION:

Different scholars have given different approaches towards management. Many have given different theories on management and how to go about it in real life situations. All of these theories are applicable to every level in management and organization. Great scholars like Fredrick W. Taylor, Henry L. Glant, The Gilberths, and Henry Fayol all have contributed towards the success of management . We still see ourselves continuing their traditions in the current time , while they were practicing it before our time .

PART B

Planning: planning is a process in which a person decides in advance what is to be done, how and when it is to be done. Planning is such a thing in which it involves projecting the future course of action in the business industry and as a whole and also for different sections and categories within it. Planning is a preparation to step for all the action to be taken in the future and this helps in building a bridge of the gap between the present and the future. Thus when steps like these are taken it makes it easier to calculate the future and to choose what is to be done to make the plan successful. Since planning is everything about choosing, it is all dependent upon the

availability of alternative given . it is through the process of choosing that makes the decision making very important. It is to be seen as a very important aspect of planning. Planning is an intellectual process and signifies use of rational approach to solution of the problem.

In a more realistic sense, planning is a process which compromises and determines in laying down of (i)objectives

(ii)policies

(iii)procedures (iv)rules

(v)programmes

(vi)budgets

(vii)strategies.

Management might plan for a short period and also for a long run. For better results and improved efficiency short range plans should be coordinated with long range plans. Planning is such an fundamental function of management that it makes all the other functions of management influenced by planning process. Importance of planning is simply manifested by increasing interest evinced in planning in business, government and other organizations.

Planning process is mostly described to be a as the prerogative of top management. Planning changes every perspective in in all levels of the organisation and all the managers irrespective of its post or position and power in the management hierarchy must plan in the limits of its superior's decisions and limits of his authority.

Organising: organising is concerned with both “ orderly” assemblage of human and material resources as well as process of development of a structure of formally identified and distinguished tasks , the members are given roles and more the members work together as a group their attributes are increased and their work is more organised which will make it easy for them to conclude their work . in short it consists of following steps :

- (1) Determination of activities of the enterprise keeping in view of its objectives.
- (2) Classification of such activities’ into convenient groups for the purpose of division.
- (3) Assignment of these groups of activities to individuals.
- (4) Delegation of authority and fixing of responsibility for carrying out the assigned duties.
- (5) Coordination of these activities and authority relations throughout the organisation.

Thus, this states that if the work is divided among the people or in groups and each members efforts are taken into consideration to achieve specific objectives are the fundamental aspects of organisation. It needs no mention that only when a group is involved that is when the problem of organising arises . one person’s activities cannot possibly organise in accordance to which we use this term.

Control: while directing the manager explains to subordinates the work expected of each of them and also helps them to their respective jobs so that enterprise objectives can be achieved according to best of their abilities, but even then there is no guarantee that work will always proceed according to plans , and to proceed according to plans and to achieve it constant observation is needed . The important steps that have to be taken to achieve it are:

Measurement of actual performance against the standard and recording deviations.

Analysing and probing the reasons for such deviations.

Fixing the responsibility in terms of person responsible for negative deviations.

Corrections of employee performance so that the group goals and plans devised to attain them are accomplished.

Thus, we can say that control is closely related to the planning job of the manager. A good control system should suggest corrective measures so that negative measures should not re-occur in the future. Control is a very important thing in the organisation without it it may even cause havoc in emergency situations.

Leadership:

1.

The activity of leading a group of people or an organization or the ability to do this.

Leadership involves

(1) Establishing a clear vision,

(2) Sharing that vision with others so that they will follow willingly,

(3) Providing the information, knowledge and methods to realize that vision,
and

(4) Coordinating and balancing the conflicting interests of all members and stakeholders.

A leader steps up in times of crisis, and is able to think and act creatively in difficult situations. Unlike management, leadership cannot be taught, although it may be learned and enhanced through coaching or mentoring.

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