

# **THEORETICAL PERSPECTIVES ON THE ISSUES OF MANAGEMENT THOUGHT**

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## **Abstract**

This article critically and constructively reviews the theoretical perspectives on the issues of management thought. The paper, however, traced the antecedent of major development in management and defined the importance of management thoughts and theories are highlighted. This article by way of concluding the discussion, suggests that the current fluidities in management theories and inconclusiveness of various branches of thought are not something to be disturbed about; it is not indicative of any weakness of the science, but is a normal phenomenon with any science

## **Introduction**

It is always helpful to have some knowledge of the history of thought of the subject one is interested in. Every Science grows and evolves over numerous debates and controversies which not only relate to the subject matter of the discipline itself, but also to its application to the problems of actual life (Bhatia, 2006). As such, a study of management thought enables a student of management or business administration to realize that the current fluidities in management theories and inconclusiveness of various branches of thought are not something to be disturbed about; it is not indicative of any weakness of the science, but is a normal phenomenon with any science.

In this paper an attempt is made to give a theoretical overview of management thought and show the present trend in management thought and theories.

## **Contributions to the Development of Management Thought**

Many researchers have contributed (either directly or indirectly) to the literature pertaining to the development of management thought. Table I presents an overview of these authors along with their main contributions to the development of management thought.

**Table 1**

**Summary of Contributions to the Development of “Management Thought”**

| <b>Author(s) and Date</b>              | <b>Article/Book Title</b>            | <b>Main Contribution</b>   |
|--|--------------------------------------|--|
| Frederick Winslow Taylor (1911)        | “Principle of Scientific Management” | He was known as “the father of scientific management”. He advocated for the need of increase in productivity and managerial efficiency as well as motivated pay for employees, by applying scientific methods.   |
| Frank B. and Lilian M. Gilbreth (1915) | “Pamphlets on Motion Study”          | They were primarily responsible for analysis of time and motion study of workers, thus improving upon time and motion elements by eliminating unnecessary motions.   |
| Henry L. Gantt (1916)                  | “Industrial leadership”              | Introducing “Task and Bonus Plan” and the Gantt Chart. The “task and Bonus Plan” was aimed at providing extra wages for extra work in addition to a guaranteed minimum wage. He stressed need for scientific selection of workers and the need for training.         |
| Harrigton Emerson (1912)               | “Twelve Principles of Efficiency”    | He advocated the line and staff type of organisation which characterizes most of our business and industrial organisations today. He is known as the high priest of efficiency.  |
| James D. Mooney (1939)                 | “Principles of Organisation”         | His contribution was setting out principles which relate to all forms of organisations for effective organisation achievement.   |
| Peter F. Drucker (1955) <sup>1</sup>   | “The Practice of Management”         | He developed new ideas and a new approach to management, and also did it just at the right time: a time when the old ideas and beliefs of the ‘Classical’ management approach were being challenged, were crumbling, and a new Credo was needed to take their place. |

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|   |                        |   |
|---|------------------------|---|
| Peter F. Drucker<br>(1954) <sup>2</sup> | “Managing for Results” | It deals with the economic task that any business has to discharge for economic performance and economic results. |
|---|------------------------|---|

**Summary of Contributions to the Development of “Management Thought” Cont’**

|                               |   |   |
|-------------------------------|---|---|
| Henri Fayol<br>(1916)         | “Administration, industrielle et generale”                        | Fayol observed the organizational functions from managerial point of view. He proposed the breaking of the complex management process into separate interdependant areas of responsibility. He also proposed 14 principles of administration which he believed would be most often applied. |
| Oliver Sheldon<br>(1923)      | “The Philosophy of Management”                                    | He stressed that whatever happened management would remain as the controlling force in industry.  |
| B. Seebohm Rowntree<br>(1938) | “The Human factor in Business” Experiments in Industry Democracy” | Proposed industrial welfare, at one and the same time, interested in the best development of scientific management.   |
| Chester I. Barnard<br>(1938)  | “The functions of the Executive”                                  | He emphasized that the task of a manager to maintain a system of cooperation effort in formal organisation. He suggested a comprehensive social systems approach to managing.   |
| Lord Wilfred Brown<br>(1960)  | “Exploration in Management”                                       | Brown gave detailed analysis of organisation and the Executive System, nature and purpose in the business of the representative system and the company policy.  |
| Mary Parker Follet<br>(1924)  | “Creative Experience”   | The basis of her philosophy is the idea that one cannot separate work from human beings, their hopes, fears and aspirations, nor can one look on work and business as a series of isolated causes and effects but only as a continuous process of interrelationships between people.        |

**Summary of Contributions to the Development of “Management Thought”  
Cont’**

|                            |  |  |
|----------------------------|--|--|
| Elton Mayo<br>(1933)       | “The Human Problems of an Industrial Civilization” | The growth and popularity of behavioural or the human relations which was based upon the premise of increase in production and managerial efficiency through an understanding of people is attributable to Elton Mayo. |
| J.A.C Brown<br>(1954)      | “The Social Psychology of Industry”                | In the same manner with Mayo, the work deals primarily with groups, but it is broader in outlook and deals with people in the normal situation rather than the experimental situation.                                 |
| Chris Argyris<br>(1957)    | “Personality and the Organisation”                 | His work, if not the first, set out an explanatory theory for human behaviour based on the characteristics of the individual, the work group and the formal organisation.  |
| Douglas McGregor<br>(1960) | “The Human Side of Enterprise”                     | He propounded the theory X and Y which has played a dormant role in the emerging field of organizational behaviour.  |

**Summary of Contributions to the Development of “Management Thought”  
Cont’**

|                         |                              |   |
|-------------------------|------------------------------|---|
| Rensis Likert<br>(1961) | “New Patterns of Management” | He made the study of management into Science. The applications of scientific method of research into facts, development of hypotheses, and testing these hypotheses by further research and experiment to the study of management were the major contributions of Likert. |
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|---------------------------------------|------------------------------|--|
| Frederick Herzberg<br>(1959)          | “The Motivation to Work”     | His notable contribution in the field of management is the Herzberg’s Hygiene motivational theory he propounded. |
| D. Cartwright and A. Zander<br>(1953) | “Group Dynamics”             | Understanding the need for human groups, their characteristics, structure and behaviour were emphasised.         |
| Abraham Maslow<br>(1954)              | “Motivation and Personality” | One of the most widely mentioned theories of motivation is the hierarchy of needs theory put forth by Maslow.    |

### **Early contributions to the “Management Thought” Concept**

According to Chandan (2005), though the formal scientific management began and established itself in the early 20<sup>th</sup> century, the recorded use of organized management goes back to 5000B.C. when the agricultural revolution had taken shape. Also, as early as 4000 B.C., the Egyptians were aware of the importance of planning, organizing, and controlling. For instance, the great pyramids of Egypt built in 2900 B.C. are classic examples of management and coordination. While the writings of Socrates and Plato discussed the universality of management and specialization, Alexander the Great used a staff organization extensively in his military conquests from 336 B.C to 323 B.C. Other historical benchmarks in the early perspectives of management thought includes; Alfarabi who listed and discussed the traits of a successful leader in 900 A.D, Ghazaei who also discussed the characteristics of a successful manager in 1100 A.D, and medieval Italy in the 1400’s used the double entry block – keeping system.

### **Schools of Management Thought**

Asika (1995) for the purpose of clarity, defined “schools of management thought” as a specific approach to the study of management which has generated its own group of scholars, researchers and theories of management. These schools of thought according to Weihrich and Koontz (2005); and Chandan (2005) can be put into three broad categories. These are:

- (i) The classical approach
- (ii) The behavioural approach
- (iii) The quantitative approach.

- (i) **The classical approach:** The thoughts and philosophies of Taylor and Fayol form the theoretical basis of this management school of thoughts. The classical assumption of this theory is that people i.e. employees are motivated by economic incentives and that they will rationally consider opportunities that provide for them the greatest economic gain. The rational economic view is summarized as below, based on (Asika, 1995):
  - (a) That if an ideal, rational organization structure is established, the workers rate of output and task accomplishment can be influenced by economic incentives.
  - (b) That the rate of production is affected by physical working conditions such as fatigue and this could be reduced through the application of the principles of time and motion studies.
  - (c) Division of labour ensures highest form of specialization which can be found only in a rational organization structure and it is a necessary condition for maximum organizational efficiency.

However, there are three major sub-groups in this movement:

1. Scientific Management sub-group pioneered by Fredrick W. Taylor (1911), who is known as “the father of scientific management”. Other notable contributors to this school are Frank and Lilian Gilbreth, Henry L. Gantt, and Harrigton Emerson. The major interest of this school of thought was to replace the traditional management by scientific management by developing the most scientific and rational principles for handling people, machines, materials, and money and to secure maximum benefits for the employers as well as employees.
  2. Administrative principles sub-group led by Henry Fayol (1841 – 1925). Other notable contributors to this approach are Mary Parker Follet (1868 – 1933) and Lyndall Urwick. This movement observed the organizational functions from managerial point of view. Fayol, however, also proposed 14 principles of administration which were believed would be most often applied for the purpose of managerial efficiency and organizational productivity.
  3. Bureaucratic Organisation Pioneered by Max Weber. This group looked for rules to eliminate managerial inconsistencies that contribute to ineffectiveness.
- (ii) **The Behaviour approach or the human relations approach:** In this movement, the organisation is based upon the premise of increase in production and managerial efficiency through an understanding of people. However, this school of thought became more popular in early 1900’s based on the Hawthorne studies carried out by Elton Mayo (1880-1949). These

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studies revealed that the better physical environment or increased economic benefits in itself were not sufficient motivators in increasing productivity.

- (iii) **The Quantitative Approach:** Better identified as the management science according to Asika (1995). The use of mathematical techniques and models were introduced by this group in solving many complex management problems. According to Chandan (2005), the basic contention of this approach is the premise that if managerial and organizational operations and decisions are based on a logical process, then it can be expressed in terms of mathematical symbols and relationships.

### **Other Schools of Management Thought**

However, there are reasons to believe that one should not expect a uniformity of conclusion and opinion amongst management scholars on managerial issues of either theoretical or practical importance. This is so because, there is no single approach that is applicable to all situations even if the situations are similar in nature (Chadan, 2005). All these management scholars have defined and interpreted management from their own perspectives and conceptual thinking.

Consequently, this situation has created what Koontz (1961) described as a “jungle”. Wehrich and Koontz (2005), however, identified fourteen other major schools of thought which are:

- i. The Empirical School – Studies experience through cases. Identifies successes and failures.
- ii. Managerial roles approach – On the basis of this study, ten managerial roles were identified and grouped into interpersonal, informational and decision roles.
- iii. Contingency or situational – managerial practice depends on circumstances
- iv. Management Science approach – Looks at management as purely logical process, expressed in mathematical symbols and relationships.
- v. Decision theory approach – Focuses on the making of decisions, persons or group, making decisions and the decision – making process.
- vi. Reengineering approach – Concerned with fundamental rethinking, process analysis, radical redesign, and dramatic results.
- vii. System Approach – Recognizes the importance of studying interrelatedness of planning, organizing, and controlling in an organisation as well as in the many subsystems.
- viii. Sociotechnical Systems approach – Focuses on production, office operations and other areas with close relationships between the technical system and people
- ix. Cooperative Social System approach – Concerned with both interpersonal and group behavioural aspects leading to a system of cooperation.
- x. Group behavior approach – Emphasizes behavior of people in groups.

- xi. Interpersonal behavior approach – Focuses on interpersonal behavior, human relations, leadership, and motivation.
- xii. Mckinsey’s 7 - s Framework – The seven S are (1) strategy, (2) structure, (3) systems, (4) style, (5) staff, (6) shared value, and (7) skills.
- xiii. Total quality management approach – The general concepts are continuous improvement, attention to details, teamwork, and quality education.
- xiv. Management process or operational approach – The attempt is to develop science and theory with practical application.

### **Management Defined**

It is apparent that there is no definite meaning assigned to management from the business management parlance, since the myriad of scholars in this field has different views about the concept.

However, Drucker (1974) saw management as “the crucial factor in economic and social development. It was obvious that the economist’s traditional view of development as a function of savings and capital investment was not adequate. Indeed, savings and capital investment do not produce management and economic development. On the contrary, management produces economic and social development and with it, savings and capital investment. Weihrich and Koontz (2005) defined management as the process of designing and maintaining an environment in which individuals, working together in groups, efficiently accomplish selected aim while the encyclopedia of professional management (1995) underscored that management can be viewed as “a network of interrelated functional responsibilities. Management is not a sequence of activities but rather a set of interacting activities that constitute a whole”. Robbins and Coulter (2008) simply defined management to involve coordinating and overseeing the work activities of others so that their activities are completed efficiently and effectively. Daft (2008), however, holds the view that management is the attainment of organizational goals in an effective and efficient manner through planning, organizing, leading, and controlling organizational resources. In another dimension, Stoner, Freeman, and Gilbert (2002) considered management as the practice of consciously and continually shaping organisations. The work of Griffin (2004) also showcased management as set activities (including planning and decision making, organizing, leading, and controlling) directed at an organization’s resources (human, financial, physical, and information) with the aim of achieving organizational goals in an efficient and effective manner. In the same manner, Jones and George (2004) defined management as the planning, organizing, leading, and controlling human and other resources to achieve organizational goals effectively and efficiently.

From these divergence views of management, it can be concluded that management is one element in a five-part structure. First, management stresses teamwork, delegation and results. Second, management recognizes the presence of intuitive, subjective skills in the management process and the growing importance



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of verified knowledge as a guide to managerial decision and action. Third, management implies that a teachable body of knowledge is incorporated into the curricula of schools, colleges, and technical institutions. It includes the possibilities for the development of management as profession. Fourth, management is a collective noun used to refer to the entire management group of an organisation. Used in this way, the term is convenient for designating a body of managers as a whole. Lastly, management is the performance of the critical functions essential to the success of an organisation. In this, management is what managers do in performing their roles as managers.

#### **Why the Study of Management Thought?**

Significant progress has been made over the years with respect to construct definition, operationalization, and measurement of concepts in management field. However, as this human knowledge accumulates, there is the need for scholars and practitioners as well the students in this field to have critical look at the causes which account for this tardy development in management thought as these knowledge will also help to improve their present and future environment.

Consequently, Mullins (2007), however, highlighted the needs or the importance of management thought or theory as follows:

- (i) It helps to view the interrelationships between the development of theory, behavior in organisation and management practice.
- (ii) An understanding of the development of management thinking helps in understanding principles underlying the process of management.
- (iii) Knowledge of the history helps in understanding the nature of management and reasons for the attention given to main topic areas.
- (iv) Many of the earlier ideas are of continuing importance to the manager and later ideas on management tend to incorporate earlier ideas and conclusions.
- (v) Management thoughts/theories are interpretive and evolve in line with changes in the organizational environment.

In addition to these highlights mentioned above, the study of management thought lends a perspective to the subject and enables the student of management to have a wider view of what he/she is studying. Furthermore, it enables the student to realize that management as a science is a comprehensive whole and those individual theories, tools and techniques have their meaning, importance, and rationale only in the context of that overall totality.

Conclusively, in the absence of knowledge of the history of management thought, a student is apt to be misguided into believing that the theories he/she is studying are either final or have no relevance at all.

## **Conclusion**

Considering, these myriad of management thoughts and theories, the question now is – “Have all these thoughts and theories in management field solved the problem of defining management in one universal language?” However, this considerable confusion that exist in the management literature has made Koontz (1962) to conclude that it is just a jungle warfare – a kind of confused and “destructive jungle warfare”, in which every scholar and practitioner is trying to bring out a “better theory” of management, while attacking the one that existed.

However, this study as a way of concluding discussion, suggests that the current fluidities in management theories and inconclusiveness of various branches of thought are not something to be disturbed about; it is not indicative of any weakness of the science, but is a normal phenomenon with any science. As earlier stated, management as a science is a comprehensive whole and that individual theories, tools and techniques have their meaning, importance, and rationale only in the context of that overall totality.

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