



**Chapter 02: The Development of
Management Thought**

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Introduction

The field of management has evolved over time, with various schools of thought emerging to address the changing needs and complexities of organizations. These schools of management thought have each made significant contributions to the understanding and practice of management, and they continue to shape the way organizations are managed and led. In this comprehensive essay, we will explore the major schools of management thought, including the classical school, the humanistic and behavioral school, and the modern school.

1. The Classical School

The classical school of management thought emerged in the late 19th and early 20th centuries, primarily in response to the growing complexity of industrial organizations and the need for more efficient and effective management practices (Wren & Bedeian, 2009). This school of thought is characterized by its focus on the principles of scientific management, administrative operations, and bureaucratic theory.

1.1 Reasons for the Emergence of the Classical School

The classical school of management thought emerged in response to several factors, including the rapid industrialization and growth of organizations, the need for more efficient and effective management practices, and the desire to apply scientific principles to the management of organizations (Wren & Bedeian, 2009). As organizations became larger and more complex, the need for more structured and systematic approaches to management became increasingly apparent.

1.2 Scientific Management Theory

One of the key components of the classical school of management thought is the scientific management theory, which was developed by Frederick Winslow Taylor (1911). Taylor's work focused on the systematic study of work processes and the optimization of worker productivity through the application of scientific principles (Wren & Bedeian, 2009). He believed that by breaking down tasks into their smallest components and analyzing each step, organizations could identify the most efficient and effective methods

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for completing those tasks.

1.2.1 Pioneers of the Classical Administrative Approach and Their Works

The classical school of management thought was also influenced by the work of several other pioneers, including Henri Fayol and Max Weber. Fayol (1949) developed the administrative operations theory, which focused on the principles of management, such as planning, organizing, commanding, coordinating, and controlling. Weber (1947), on the other hand, developed the bureaucratic theory, which emphasized the importance of formal structures, clear lines of authority, and standardized procedures.

1.2.2 Evaluation of the Scientific Management Movement

While the scientific management movement made significant contributions to the field of management, it has also been criticized for its overly mechanistic and dehumanizing approach to the management of workers (Wren & Bedeian, 2009). Critics argue that the focus on efficiency and productivity often came at the expense of worker well-being and job satisfaction, and that the scientific management approach failed to account for the social and psychological needs of workers.

1.3 Administrative Operations Theory

Another key component of the classical school of management thought is the administrative operations theory, which was developed by Henri Fayol (1949). Fayol's work focused on the principles of management, including planning, organizing, commanding, coordinating, and controlling. He believed that these principles could be applied to any type of organization, regardless of its size or industry.

1.3.1 Works of Henri Fayol

Fayol's (1949) work on administrative operations theory is considered a seminal contribution to the field of management. He identified fourteen principles of management, including unity of command, scalar chain, and division of work, and argued that these principles could be used to improve the efficiency and effectiveness of organizations.

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1.3.2 Contributions of Administrative Operations Theory and Criticisms Directed

The administrative operations theory made significant contributions to the field of management by providing a structured and systematic approach to the management of organizations. However, it has also been criticized for its overly prescriptive and inflexible approach, and for failing to account for the dynamic and complex nature of modern organizations (Wren & Bedeian, 2009).

1.4 Bureaucratic Theory

The final component of the classical school of management thought is the bureaucratic theory, which was developed by Max Weber (1947). Weber's work focused on the definition and characteristics of bureaucracy, as well as the different types of authority that can be exercised within an organization.

1.4.1 Definition of Bureaucracy and Its Foundations

Weber (1947) defined bureaucracy as a formal system of organization and administration designed to ensure efficiency and effectiveness. He argued that bureaucracy was characterized by a hierarchical structure, clear lines of authority, and standardized procedures and policies.

1.4.2 Types of Authority

Weber (1947) identified three types of authority that can be exercised within an organization: traditional authority, charismatic authority, and legal-rational authority. Traditional authority is based on the belief that certain individuals or groups have the right to exercise power by virtue of their position or status. Charismatic authority is based on the personal qualities and appeal of the leader, while legal-rational authority is based on the belief that the leader has the right to exercise power by virtue of their position within the organization.

1.4.3 Evaluation of Bureaucratic Theory

The bureaucratic theory has been widely influential in the field of management, and many organizations have adopted bureaucratic structures and practices. However, it has

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also been criticized for its rigidity and inflexibility, and for its failure to account for the dynamic and complex nature of modern organizations (Wren & Bedeian, 2009). Critics argue that bureaucratic structures can stifle innovation and creativity, and that they can be overly focused on control and compliance rather than on the needs of employees and customers.

2. Humanistic and Behavioral School

In contrast to the classical school of management thought, the humanistic and behavioral school emerged in the mid-20th century and focused on the importance of human factors in the management of organizations (Wren & Bedeian, 2009). This school of thought includes the human relations theory, Douglas McGregor's theory X and Y, and the behavioral theory.

2.1 Human Relations Theory

The human relations theory emerged in the 1920s and 1930s, primarily in response to the perceived shortcomings of the classical school of management thought. This theory focused on the importance of social and psychological factors in the management of workers, and emphasized the need to create a more humane and supportive work environment.

2.1.1 Pioneers of the Humanistic Approach

The pioneers of the human relations theory include Elton Mayo, Mary Parker Follett, and Chester Barnard. Mayo's (1933) famous Hawthorne experiments, for example, demonstrated the importance of social and psychological factors in worker productivity, and challenged the prevailing assumption that workers were primarily motivated by economic factors.

2.1.2 Contributions of Human Relations Theory

The human relations theory made significant contributions to the field of management by highlighting the importance of worker motivation, job satisfaction, and interpersonal relationships in the workplace. It also emphasized the need for more participative and democratic management styles, and the importance of effective

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communication and collaboration within organizations.

2.1.3 Criticisms Directed at the Human Relations Movement

However, the human relations movement has also been criticized for its overly simplistic and idealistic approach to management, and for failing to fully address the structural and political realities of organizations (Wren & Bedeian, 2009). Critics argue that the human relations theory often overlooked the role of power and conflict in organizational dynamics, and that it failed to fully account for the complex and multifaceted nature of human behavior.

2.2 Douglas McGregor's Theory (Theory X and Y)

Another important component of the humanistic and behavioral school of management thought is Douglas McGregor's (1960) theory X and Y. This theory posits that managers hold two fundamentally different sets of assumptions about human nature and worker motivation, and that these assumptions can have a significant impact on the way organizations are managed.

Theory X assumes that workers are inherently lazy, dislike work, and need to be closely supervised and controlled in order to be productive. In contrast, theory Y assumes that workers are inherently motivated, creative, and capable of self-direction and self-control.

2.3 Behavioral Theory

The behavioral theory of management is another key component of the humanistic and behavioral school of thought. This theory focuses on the importance of understanding and addressing the psychological and social needs of workers, and emphasizes the role of leadership, motivation, and job design in shaping organizational behavior.

2.3.1 Human Needs Theory

One of the key components of the behavioral theory is the human needs theory, which was developed by Abraham Maslow (1943). Maslow's hierarchy of needs suggests that individuals are motivated by a series of basic needs, ranging from physiological needs to self-actualization needs, and that organizations can improve worker motivation and

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productivity by addressing these needs.

2.3.2 Two-Factor Theory

Another important aspect of the behavioral theory is the two-factor theory, which was developed by Frederick Herzberg (1959). This theory suggests that there are two sets of factors that influence worker motivation and job satisfaction: hygiene factors, which are related to the work environment and can prevent dissatisfaction, and motivator factors, which are related to the work itself and can increase satisfaction and motivation.

2.4 Criticisms of the Humanistic and Behavioral School

While the humanistic and behavioral school of management thought has made important contributions to the field, it has also been criticized for its overly simplistic and idealistic approach to management. Critics argue that this school of thought often fails to fully account for the structural and political realities of organizations, and that it can overlook the role of power and conflict in shaping organizational dynamics (Wren & Bedeian, 2009).

Additionally, some critics have argued that the humanistic and behavioral school places too much emphasis on the individual needs and motivations of workers, at the expense of broader organizational goals and objectives. They contend that this approach can lead to a lack of alignment between individual and organizational interests, and can undermine the effectiveness and efficiency of the organization as a whole.

3. Modern School

The modern school of management thought emerged in the mid-to-late 20th century, and is characterized by a more diverse and multifaceted approach to the study and practice of management. This school of thought includes a range of perspectives and approaches, including the quantitative school, decision-making theory, the systems school, the situational school, the management by objectives school, and the Japanese management school.

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3.1 Quantitative School

The quantitative school of management thought is characterized by its emphasis on the use of mathematical and statistical techniques in the management of organizations. This approach emerged in the 1940s and 1950s, primarily in response to the need for more sophisticated decision-making tools and techniques (Wren & Bedeian, 2009).

3.2 Decision-Making Theory

The decision-making theory is another key component of the modern school of management thought. This theory focuses on the cognitive and behavioral processes involved in decision-making, and emphasizes the importance of understanding the factors that influence the decision-making process, such as individual biases, organizational constraints, and environmental factors.

3.3 Systems School

The systems school of management thought is characterized by its emphasis on the interconnectedness and interdependence of different organizational components. This approach views organizations as complex, dynamic systems that are constantly interacting with their external environments, and emphasizes the importance of understanding the relationships and interdependencies between different parts of the organization (Wren & Bedeian, 2009).

3.4 Situational School

The situational school of management thought is characterized by its emphasis on the importance of context in the management of organizations. This approach suggests that there is no single "best" way to manage an organization, and that the most effective management practices will depend on the specific circumstances and challenges facing the organization (Wren & Bedeian, 2009).

3.5 Management by Objectives School

The management by objectives (MBO) school of management thought is characterized by its emphasis on the importance of setting clear, measurable goals and objectives for

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organizations and their employees. This approach suggests that organizations can improve their effectiveness and efficiency by aligning individual and organizational goals, and by using performance measurement and feedback mechanisms to monitor progress and drive continuous improvement.

3.6 Japanese Management School

The Japanese management school is a unique and influential perspective within the modern school of management thought. This approach is characterized by its emphasis on teamwork, continuous improvement, and a focus on quality and customer satisfaction. Key elements of the Japanese management approach include just-in-time production, total quality management, and the use of cross-functional teams and quality circles (Wren & Bedeian, 2009).

Conclusion

In conclusion, the field of management has evolved over time, with various schools of thought emerging to address the changing needs and complexities of organizations. The classical school, the humanistic and behavioral school, and the modern school each offer unique perspectives and approaches to the management of organizations, and have made significant contributions to the understanding and practice of management.

While each of these schools of thought has its own strengths and weaknesses, they collectively demonstrate the richness and diversity of the field of management, and the ongoing need to adapt and evolve in response to the changing demands of the modern business environment.

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