



# SCHOOLS OF MANAGEMENT THOUGHTS

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# Introduction

- The various approaches to the study of management is propounded by the specialist such as Taylor, Fayol, Mayo etc., from different disciplines have come to be called the **schools of Management thoughts**.
- Major schools of Management theory or thought in management may be classified as follows:-
  - Management Process School
  - Empirical school
  - Human Behaviour or human relation school.
  - Social school.
  - Decision theory school.
  - Mathematical or Quantitative Management School
  - System Management School.
  - Contingency School;

# Management Process School

- Henry Fayol is known as the father of school of thought.
- Other contributor to it are:
  - J.D.Mooney
  - A.C.Railey
  - Lyndall Urwick.
  - Arold Koontz
  - Newman
  - Summers
  - Mc farland
- According to this school, management can best studied in terms of the process that it involves

# Management Process School

- The management process consisting of five broad categories of function which are used in all the managerial function, viz,
  - Planning
  - Organising
  - Staffing
  - Directing
  - Controlling
- Following this ,this school evolved some universal **Principles of Management**.

**Main features** of Management Process School or the operational approach school are:

- Management is the study of functions of managers
- The functions of manager are the same irrespective of the type of organisation.

# Management Process School

- The conceptual frame work of management can be built through an analysis of the processes of management and identification of principles.
- The functions of management, viz, planning, organising, staffing, directing and controlling are the core of management.

## **Limitations of management process school:**

- The various operational theorist do not agree about the function of management.
- The so called universal principle of management do not always stand the test of empirical scrutiny.
- Organisation function under dynamic conditions and, therefore, searching for universal principles may not always be fruitful exercise.

# The Empirical School or the Management of Custom School

- The main contributors to this school of thoughts are the Harvard Business school, Ernest Dale, Mooney, Urwick, Railey and American Management Association.
- This school thought consider management as the study of experience. Analysing the experiences of successful managers or the mistaken of poor managers from case studies one somehow learn how to manage.

## **Main features**

- Management is the study of managerial experience
- The managerial experience can be passed over to the practitioners and students.
- The technique used in successful cases can be used by future manager.
- Theoretical researches can be combined with practical experiences.

# The Empirical School or the Management of Custom School

- This 'case study' method is best for imparting management education; it contributes to the development of managerial skills.

## **Limitations**

- This school depends heavily on the historical methods of study. It goes mainly by precedents. It does not realize that the managers have to work under dynamic conditions and that history does not exactly repeat itself.

# The Human Relation or the human behaviour School

- The main contributors to this school of thought are Elton Mayo, Roethlisberger, McGregor and Keith Davis..
- This school has also benefitted from the contribution of psychologists like Maslow, Argyris, Herzberg etc.
- This school had its origin in a series of experiments conducted by Mayo and his associates at the Harvard School of Business at the Western Electric Company's Hawthorne works, near Chicago. These studies brought out for the first time the important relationship between social factors and productivity.

## **Main features:**

- The school draws its concept from psychology, sociology, human relations, interpersonal relationships, satisfaction of worker's needs etc.



# The Human Relation or the human behaviour School

- Since management is getting thing done through people, the manager must have a basic under-standing of human behaviour and human relation in all its aspects, particularly in the context of work groups and organisation.
- Management must study inter-personnel relationship among people.
- Greater production and higher motivation can be achieved only through good human relations.
- Motivation, leadership, communication, participative management and group dynamics are the core of this school of thought.

## **Limitation**

- This approach talk about organisation and organisational behaviour in vague term.
- If the study of management were confined to human behaviour or human relation, it would be unduly restricting the scope of technical aspects of job etc.,which are equally important.

# The Social System School

- The main pioneers and contributors to this school of thought are Max weber, Moreno, simon and Rensis likert.
- This school of thought is closely related to the human relations school of thought.

## **Main Features**

- Management is a social system, a system of cultural relationships
- Formal organisation represent cultural relationship of the social working within the organisation.
- Cooperation and team spirit among the group members is necessary for the achievement of organisational objective.
- Management has to direct its effort towards establishing harmony between the goals of the organisation and those of working group.

# The Social System School

## **Uses and Limitation**

- This school of thought is very useful for the practising managers. All the managers operate in a social system and the organisation is likely to prosper most if the social demand of the society in which it operates are fully recognised.
- This school attaches maximum importance to the study of sociology and thus tends overlook many management concepts, principle and techniques which are also important practising manager.

# Decision Theory School

- The main thinkers and contributors belonging to this school of thought are
  - Chester Bernard
  - James March
  - Herbert Simon
  - Forrester
  - Richard Cyert
- According to this school, the essence of management lies in the decision making. Whatever a manager does is outcomes of a decision made by him through rational choice from among different alternative available to him.
- By expanding the view point beyond the process of evaluating alternatives, many use the theory to examine the nature of organisation structure; the physiological and social reaction of individuals and groups, the development of basic information for decisions and the analysis of value consideration with respect to goals, communication networks and incentives.

# Decision Theory School

## **Main features**

- Management is essentially decision making.
- The member of any organisation are essentially decision-makers and problem solvers. Hence management is the study of process of decision making and the personalities and behaviour of decision makers.
- The quality of decisions is a prime factor for increasing the efficiency of organisation..
- Management information system and the process and technique of decision making form the subject matter of the study of management.

## **The uses and limitation**

- This school though contributes a lot towards the sharpening of managerial tools especially for making suitable decisions in the organisation, the question still remain to be answered is whether the decision theory school can do justice to the various aspects of management which includes besides decision making such important functions as c oordination ,organising and implementation of decision.

# The Mathematical School

- The prominent contributors to this school are
  - Taylor
  - Gilberth
  - Gantt
  - Joel Dean
  - Newmann
  - Ackoff
  - Hicks
- This school believes that if management is a logical process. It can be expressed in terms of mathematical symbols and relationships.

Effective solutions to the problems of management can be achieved through application of suitable simulation and the use of analytic and synthetic mathematical technique.

# The Mathematical School

The contributors of this school has been using mathematical and quantitative technique in developing models of the various kinds of decisions and problems involved in managing organisations.

- Dr Koontz has defined the mathematical school as an Operations Research School. Operation research usually requires computer technology to analyze alternatives. Gaming theory, Queuing Theory and linear programming are some of its techniques.

## **Essential Features**

- Management is concerned with problem solving and it must make use of mathematical tools and techniques for purpose.
- The different factors involved in management can be quantified and expressed in form of models i.e. in the form of equations which can be solved with the help of mathematical technique.
- Management problems can be described in mathematical models.
- Operation Research, Mathematical tools, simulation and model building are the basic methodologies developed by this school of thought.

# The Mathematical School

## **Uses**

- Mathematical approach has helped management in systematising thinking and has lent a certain measure of precision to the management discipline.

## **Limitations**

- The mathematical models cannot be considered as a substitute for sound judgement.
- There are certain phases of the management process which cannot be expressed in mathematical symbols and formulae.



# The systems approach School

- The system approach is of recent origin having developed in late 1960's.
- The prominent contributors to this school of thought are
  - Kenneth
  - Boulding
  - Johnson
  - Cast Rosen Zweig
  - Churchman
  - Another notable contributor is Martin particularly in the field of management audit system.
- A system is composed of elements or sub-system that are related and dependent upon each other to form the whole.

# The Systems Approach School

## **Main Features**

- A system has number of subsystem,parts and subparts.
- All the subsystems,parts and subparts are mutually related to each other.the relationship is in the context of the whole and is very complex.A change in one part will effect change in others.
- The system approach emphasises the study of the various parts in their inter-relationship rather than in isolation from each other.
- The system approach to management brings out the complexity of a real life management problem much more sharply than any of the other approaches.

# The Systems Approach School

## **Uses**

- The system approach has been used in studying the function of complex organisation and as the base for new kinds of organisation like the project management organisations.
- The system approach has an edge over the other approaches in so far as its closeness to reality is concerned.

## **Limitation**

- The problem with the system approach is its utter complexity particularly when it comes to a study of large and complex organisations.

# The Contingency Approach School of Management

- The Major contributors
  - Joan woodward
  - Fledler
  - Lorsch
  - Lawerence
- Theorist of the process school, quantitative, behavioural, and system school often assume that their concept and techniques have universal applicability, which is not so. These concept may work in some situations and not in others.
- The contingency approach to management is based upon the fact that there is no one best way to handle any of the problem of management. The applications of management principle and practise should be contingent upon the present circumstances .Process, behavioural, quantitative and system tools of management should be applied situationally.

# The Contingency Approach School of Management

- There are three major parts of the overall conceptual framework for contingency management:
  - Environment
  - Management concept, principle and technique.
  - Contingency relationship between (i) and (ii)

The environmental variables are independent.  
Management variables (process, quantitative, behavioural and system tools) are dependents.
- Every manager has to apply the various school of thoughts (approaches) to management according to demand of the situation.
- It is the basic function of managers to analyze and understand the environments in which they function, before adopting any techniques, processes and practices. The choice of approaches and also their effectiveness is contingent on the behaviour and dynamics of situational variables. There is no universally valid one best way of doing things.

# The Contingency Approach School of Management

- Contingency thinking helps manager in several ways in performing their function of planning, organising, direction and control. It widens their horizons beyond the theory of management, its concept, principles, techniques and methods. It leads them to be sensitive, alert and adaptive to situation-behavioural variables, while tailoring their approaches and styles.
- Contingency thinking enlarges the area of freedom of operation of managers. They are not handicapped by having to apply the same approach to diverse situations. They can even think of a blend of known approaches as demand by the existing situations.
- The contingency approach seems to hold a great deal of promises for the future development of management theory and practise.