CHAPTER 2
Evolution of Management Thought

Environmental Factors

• Economic Influences
• Social Influences
• Political Influences
• Technological Influences
• Global Influences

Schools of Management Thought

Classical Perspective
Behavioral Perspective
Quantitative Perspective
Systems Perspective
Contingency Perspective
Classical Perspective

Scientific Management: F. W. Taylor

“The one best way”

– Task Performance
  – Supervision
  – Motivation

Task Performance

– Development of work standards
– Selection of workers
– Training of workers
– Support of workers
Supervision

“Functional Foremanship”

Motivation

Money

- A standard wage rate
- Production output

Scientific Management: F. Gilbreth

- Bricklaying studies

- Therbligs
Scientific Management: L. Gilbreth

- Working conditions
- Efficiency and productivity
- Standard work days
- Lunch breaks and rest periods
- Child labor

Classical Perspective

Administrative Management

Administrative Management: H. Fayol

- Managerial functions
- 14 General Principles
**Classical Perspective**

**Bureaucratic Management**

Organizational system
- Rules
- Policies and procedures
- Fixed hierarchy
- Division of labor

**Bureaucratic Management: M. Weber**

- Division of labor
- Hierarchy of authority
- Rules and procedures
- Impersonality
- Employee selection and promotion
Weber’s Forms of Authority

• Traditional authority

• Charismatic authority

• Rational-legal authority

Schools of Management Thought

Classical Perspective

Behavioral Perspective

Quantitative Perspective

Systems Perspective

Contingency Perspective

Perspective?

Classical vs. Behavioral
Behavioral Perspective

- Mary Parker Follett
- Elton Mayo
- Douglas McGregor
- Chester Barnard

Mary Parker Follett

- Coordination
- Harmonize
- Empower

Elton Mayo

- Hawthorne Experiments
- Productivity
- Human relations
Hawthorne Effect

Performance is influenced by human behavior factors

Douglas McGregor

• Theory X

• Theory Y

Chester Barnard

• Establish communications

• Establish clear objectives
Schools of Management Thought

Classical Perspective

Behavioral Perspective

Quantitative Perspective

Systems Perspective

Contingency Perspective

Quantitative Perspective

• Decision-Making Focus
• Measurable Criteria
• Quantitative Model
• Computers

Schools of Management Thought

Classical Perspective

Behavioral Perspective

Quantitative Perspective

Systems Perspective

Contingency Perspective
Systems Perspective

Properties of Systems

- Environmental interaction
- Synergy
- Entropy

Schools of Management Thought

Classical Perspective
Behavioral Perspective
Quantitative Perspective
Systems Perspective
Contingency Perspective
Contingency Perspective

- No one best approach
- Managers are responsible
- Identify key contingencies

Organizational Technology

Joan Woodward

Small-Batch Technology
Mass-Production Technology
Continuous-Process Technology
Info-Tech & Management Style

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<td>Communications Equipment</td>
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Future Issues

• Diversity
• Globalization
• Quality

William Ouchi

• Japanese management approach
• Theory Z
• Trust employees