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Topic Name : Management Approaches

Principles of Management

Management

Definition: Management is the process of planning, organizing, leading, and controlling an organization's resources to achieve specific goals and objectives.

Approaches of Management:

There are various approaches and theories of management developed over time to guide how organizations should be managed and led. Here are some of the key approaches to management.

Classical Management Approach

Classical management theory refers to a set of management theories that emerged during the late 19th and early 20th centuries. These theories sought to analyze and streamline management practices to improve efficiency and

productivity in organizations. It is often associated with the work of three key figures: Frederick Taylor, Henri Fayol, and Max Weber. Here are the main components of classical management theory:

1. Scientific Management (Frederick Taylor): Frederick W. Taylor is considered the father of scientific management. He believed that by studying and standardizing work motions, productivity could be greatly improved. Taylor proposed a system where managers specialized in specific functions, such as planning and controlling, while workers specialized in performing tasks.

Contribution: Scientific management laid the foundation for efficiency-focused management practices, emphasizing the need for systematic analysis and optimization of work processes.

2. Administrative Management (Henri Fayol): Fayol identified 14 principles of management, including unity of command, division of labor, authority and responsibility, and scalar chain. These principles provided a framework for managing organizations effectively. He also outlined five key functions of management: planning, organizing, commanding, coordinating, and controlling.

Contribution: Administrative management theory introduced a systematic approach to management, focusing on the principles of management and organizational structure.

3. Bureaucratic Management (Max Weber) : Weber described an ideal bureaucratic structure characterized by a clear hierarchy, division of labor, a system of rules and procedures, impersonal relationships, and merit-based selection and promotion.

Contribution: Bureaucratic management theory emphasized the importance of a well-defined organizational structure, standardized

procedures, and impersonal decision-making, which contributed to the efficiency and predictability of organizations.

Neo-Classical Management Approach

Neo-classical theory of management, also known as the human relations or behavioral management theory as a response to the limitations of classical management theories. Neo-classical theorists shifted the focus from the mechanical and impersonal aspects of management to the human and social aspects within organizations.

The Hawthorne Studies, conducted at the Western Electric Hawthorne Works in Chicago from the 1920s to the 1930s, played a pivotal role in the development of neo-classical theory. Researchers, including Elton Mayo, found that changes in lighting conditions and work environment had a significant impact on worker productivity.

The studies revealed that employee behavior and performance were influenced by social and psychological factors, such as group dynamics, social norms, and job satisfaction.

Here are the key components of the neo-classical theory of management:

- 1. **Human Relations Movement:** Itled by Elton Mayo and others, emphasized the importance of addressing the social and psychological needs of employees to improve their job satisfaction and performance. It advocated for creating a positive workplace environment, fostering teamwork, and promoting effective communication between management and employees.
- 2. **Emphasis on Human Behavior:**Neo-classical management recognizes that organizations are made up of individuals with their own needs, motivations, and behaviors.It acknowledges that employee attitudes and behaviors can significantly impact an organization's success.

Behavioral Management Theory

- Incorporates insights from psychology and sociology to understand human behavior in organizations.
- Emphasizes the significance of individual and group behavior in decision-making, leadership, and organizational culture.
- Notable contributors include Douglas McGregor (Theory X and Theory Y) and Abraham Maslow (Hierarchy of Needs).

Contingency Management Theory

- Contends that there is no one-size-fits-all management approach, and the most effective approach depends on the specific situation or contingency.
- Suggests that organizational success hinges on adapting management practices to align with changing circumstances.

Systems Management Theory

- ➤ Views organizations as complex systems with interconnected parts and processes.
- Emphasizes the holistic perspective and the interdependence of various elements within an organization.
 - ➤ Considers the input-process-output model and feedback loops.

Key Aspects of Management Theories:

Management theories encompass a wide range of approaches and perspectives that guide how organizations are managed and operated. While these theories vary in their principles and emphases, they share several key aspects that are fundamental to understanding and applying management concepts effectively:

1. Organizational Goals and Objectives : All management theories emphasize the importance of defining clear organizational goals and objectives. Goals provide direction and purpose for an organization, and they serve as a basis for decision-making and planning.

- 2. Planning: Planning is a core function of management. It involves setting objectives, determining the best course of action to achieve those objectives, and developing strategies and action plans. Planning also includes forecasting and resource allocation.
- **3. Organization and Structure:** Management theories address how organizations should be structured and organized. They consider the division of tasks, hierarchy of authority, chain of command, and coordination mechanisms required for efficient operations.
- 4. Leadership and Management Styles: Theories of management often explore leadership and management styles, including autocratic, democratic, transformational, and servant leadership. These styles influence how leaders interact with employees and make decisions.
- 5. Communication: Effective communication is essential in all management theories. Managers must communicate with employees, peers, and stakeholders to convey information, clarify expectations, and facilitate collaboration.
- **6. Motivation and Human Behavior :** Understanding human behavior and motivation is a common theme in management theories. They explore factors that drive employees, including intrinsic and extrinsic motivators, job satisfaction, and the impact of work environments on behavior.
- **7. Decision-Making:** Decision-making is a critical managerial function. Management theories address decision-making processes, including problem identification, information gathering, analysis, and the selection of the best course of action.
- **8. Change Management :** Many management theories recognize the inevitability of change in organizations. They discuss change management strategies, resistance to change, and the role of leadership in facilitating successful transitions.

- **9. Conflict Resolution and Negotiation :** Conflicts are a natural part of organizational life. Management theories provide insights into managing and resolving conflicts, as well as negotiation techniques to reach mutually beneficial outcomes.
- 10.Control and Monitoring: Management involves monitoring progress toward goals and objectives and taking corrective actions when necessary. Control mechanisms, such as performance metrics and feedback systems, are essential for ensuring that organizational activities align with objectives.

