# A review of principles of management's history and contemporary perspective in brief

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#### Abstract:

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Management is a crucial phenomenon in the modern business age. Management is an important instrument for the managers. Though, managers used to apply emerging theories and principles to be wonderful success beyond the enhancing organization's productivity and gaining more profit. Since ancient period, accompanying with human civilization. Million scholars are thinking, studying and experimenting for effective principles of management till now and still they have been continuing it.

Furthermore, this study reviews that the history of management, evolution of management thought, trends of scholars contributions in different time period from the antiquity.

In the 18th century, during the industrial revolution has been changed tremendously in management perspectives. Management scholars, experts have had developed some classical theory, human relation theory, Human behavior science theory, management science theory, system theory, and contingency theory. Scientists, mathematicians, economists, sociologists, psychologists are still research experimenting and inventing contemporary management theories of management.

This is the scientific era, world is influencing with dynamic environment. The technology, economic, social, culture, political, legal etc. are changing continuously. Thus, a manage must take crucial challenges in working environment in the organization. Hence, the manager should be consider on changing perspective of management principles. Principles of management provide suitable guidelines for a manager. Moreover, if managers follow strictly principles of management, definitely it supports to enhance efficiency of employees' and increased productivity. An organization's success and failure depends on effective management. Whether a successful management can drastically change in society and nation through economically and social paradigm.

**Keywords:** Management, theory, principle, perspective, efficiency, productivity,

## Introduction

Today's world is competitive world. It is depends upon the competitive management. Application of management is compulsory for various types of organizations. Either that is small or medium, or large scale organization nor public, or private or government or non-government and so on.

Management is combination of all set of activities. In management, a manager as a leader plays a vital role for achieve organization's fixed goals. Especially, managers manage various kinds of resources like- financial, people, physiological goods and information as input and they used planning and controlling techniques. In management field so many researches, studies and experiments have have been to improve and develop it.

Indeed, at present, evolution of management thought is not unexpectedly developed. From antiquity many scholars have studied, researched, and experimented on it. So management has had been practicing thousands of years (Griffin). As management practiced, Sumerians had been used 3000 B.C. to 2700 B.C. (Aprox.), written rule and regulations for governance, in 3000 B.C. to 1000 B.C., Egyptians used management practices to construct pyramids in 2700 B.C. to 500 B.C., Babylonians used extensive set of laws and policies for govern in their empire, Greeks also used different governing system for cities and states in 1000 B.C. to 250 B.C.. Likewise ancient Romans, in 900 B.C. to 500 A.D. used management to facilitate organized structure for communication and control through far-flung territories. Chinese also exercised in 1500 B.C. to 1300 A.D. expensive organizations structure for government agencies and the arts, Venetian also used in 500 A.D. to 1500 A.D. for organization design and planning concepts to control the seas (Griffin-2000).

Eventually, organizations were modernizing beyond management perspectives. In 18th century, industrial revolution have replaced traditional technologies by modern technologies such as semi or automatic machines. Although, peoples' wants and demands have been increasing, resources were sufficient, even though the management were not success and satisfactory by getting high productivity. Hence, this contrary made oblige to think about new techniques of management for scholars, entrepreneur and managers. Later, many scholars, management thinkers, experts have started to study, research and experiment for effective management. Their main goal was how maximum can utilize of the available resources with cost benefits as productivity. Consequently, various management perspective emerged as a theory in the modern age.

The management researcher and experts evolved the classical perspective in 1890 A.D. to 1930 A.D., human relation approach in 1920-1930 A.D., human behavioural science perspective in 1930-1960 A.D., quantitative perspective in 1940-1970 A.D., system perspective 1950-1970 A.D., and contemporary perspective applied 1990-2020 A.D. as theory.

Management's evolution and practiced has had been from thousands of year. Alexander Great employed of staff organization to coordinate activities during his military campaign. The Romanian empire developed a well defined organization structure that greatly facilitates communication and control. Socrates discussed on management practices and concepts in 350 B.C. And, Alfarani listed several leadership traits in 900 A.D.(Griffin). Likewise, The Scottish an economist Adam Smith also described about how to manage optimum gain from 'division of labor' for the organization and nation. Thus management thinkers has been practicing since 4000 years. Many scholars and experts had contributed to evolve management perspectives as well as they developed their thought, experiment and experience in the form of theory and principles of management. Generally, the theory is a simple conceptual framework for organizing knowledge and providing a blue print for action (Griffin, 2000). And management principle is also broad guidelines to serve stating the visions and goals as well as ways of achieving it.

In the 19th century, industrial revolution contributed a lot to the development of management theories and principles. The advert of the machine power, mass production, and efficient transportations were the main features of the revolution. As a result of the revolution, manual labor was replaced, job specification increased, and the relations between workers and managers widened (Adhikari). Hence there was substantial numbers of employees' size, growth and mass production and selling, increased. Therefore, they realized to needed to create of systematic management.

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In this term, after the industrial revolution, new principles, new technologies, scientific discovery and experiments brought vital changes to the ancient management system. James Watt, Robert Oben, Charles Babes, Charles Dupin, Henri Puat, Halse, Josheph Wherton, Gillberth, Mary Parker Follet, Chester I. Bernard, Abraham Maslow, Frederick Winslow Taylor, Henry Fayol, so on have contributed a lot to the development of management (Khadka, 2078 B.S.).

Developed by the management experts the main theories are- the classical theories regard the scientific management theory, administrative theory, and bureaucracy theory. Human relation theory has related to Hawthorne study, human behavioural science theories have regard to human need hierarchy theory, Hertzberg's two factor theory, theory 'X' and theory 'Y', and participatory management theory. Furthermore, system theory, decision theory, management science theory, and contingency theory have been developed as well as knowledge management, workforce diversity, outsourcing and learning organizations also emerging as new approaches. Since, the management solve the problems efficiently, effectively and creative manner. So that, it's called management is the art of getting things done through the efforts of other people. For this purpose managers should do activities individually, in group, or in organization. In general, management functions are- planning, organizing, staffing, motivation, coordination, communication, leading, and controlling. These activities formally defined as principles. In other word, management is a set of principles related to the functions.

## **Study Objectives**

- 1. To illustrate historically evolution of management thought.
- 2. To examine principles of management.
- 3. To evaluate emerging management perspective.

#### Research Method

In this study applied both descriptive and analytical research method. In descriptive used figures and explained in details. In the next, accumulated various types published articles, books, journals, and other secondary types studies, then using rational views analysed to them and result in description method.

Besides these, observation and various publications also reviewed.

#### **Literature Review**

Indeed, evolution of management originated since beginning of civilization of human beings. Many researchers, psychologists, scholars, engineers, mathematicians, and management experts contributed for development of modern management thought.

Earlier nineteenth industrial revolution, no one ready to accept the management is a discipline. But, today it is became a very popular multidisciplinary, because of involved different subjects. Such as -mathematics, psychology, sociology, anthropology, political, science, legal, etc. So that, many thinkers contributed and new philosophy has evolved and develop as theory and principles of management. Hence, it can be consequently reviews as follows-

#### 1. Classical theory

In the 19th century, during the industrial revolution period, some scholars contributed in management field, by studying and experimenting to improve management efficiency. These

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initial insighted of scholars in management is known as classical theory. It contains-scientific management theory, administration theory and bureaucracy theory.

## 1.1. Scientific management theory

According to Koontz, O'Donnell and Weihrich an American citizen Fredicck Winslow Taylor developed an apprentice management theory is known as scientific management theory. Taylor acknowledged as 'the father of scientific management'. His principles mainly contributed in two things. One is, increase in profitability and second is high wages.

Profitability or productivity is the matter of ignorance on the part of both management and labor in Taylor's view. He suggested that for the productivity management should follow the scientific approach in their work and apply scientific method in tackling all problems relating to efficiency (Shukla). Taylor believed that facts or truths gained through scientifically, systematic collects and analyzing information, observation, experiment and reasoning before apply it. And labor wages increased through increasing efficiency. Efficiency can be developed by scientifically selection of employee, training and development programme. Manager and labor should have mental revolution. More efficiency increases high productivity and remuneration without extra expenditure and human efforts.

Taylor suggested that in scientific management theory to follow these principles - replacing rule of them with science, obtaining of group of action not discordance, close cooperation between manager and workers, working for maximum out put, not restricted output, developing all working to their greatest efficiency and prosperity.

Taylor was an outstanding pioneer for the scientific management method. Besides the Taylor, Carl Berth, Henry L. Gantt, Frank and Lillian Gilbreth, and A. Fillene also contributed in scientific management. Berth was a most regarded Taylor's followers and orthodox. As a mathematician, he developed many techniques and formulae, which made possible, developed by Taylor's ideas to put into practice. Henry Gantt, strongly espoused Taylor's ideas by consulted on on the scientific selection of working and development of incentives system. He more stressed on mutually cooperation between manager and labor as 'harmonious cooperation'. Gantt appreciated that the human element is the most important one in all problems of management. He developed and emphasized the graphic methods of depicting spans and making possible better management control, and given importance of time as a well as in planning and controlling too. Likewise, the ideas developed by Taylor's strongly supported by the famous experts husband and wife were Frank Gilbreth and Lillian Gilbreth. Frank Gilbreth studies was in wasted motion on work, or workers' efficiency. Lillian Gilbreth's interest was in human aspects of work. Furthermore, couple of Gilbreth family emphasized to understand worker's efficiency then their personality and needs. Harrington Emerson focused to efficiency and productivity in commensally rather the attention in management.

Similarly, other supporters were William H. Leffingwell and Edward A. Fillene. Lefingwell known as the 'father of office management, too. He described and credited for applying principles of management for office management. According to him office management's principles are - plan and work, schedule the work, execute the work, measure the work and reward the worker. But Fillene's contributed in scientific management was by applied the principle of management in practice and experimented were succeeded.

## 1.2. Administrative management theory

In classical theory of management the second one theory is administrative management.

Henry Fayol was a French mining engineering director of mines and an industrialist too. Who published a book "General and Industrialist Management" in French language in 1916 including and sharing his ideas and experiences. Later in 1930, it's translated into English. Today, gist of this book is known as administrative management theory. Fayol pointed out that the principles of management and organization are universal regardless of whether the organization is run for profit or for social purpose (Shukla).

Henry Fayol was the first user of term 'administration' instead of 'management'. According to Koontz, Fayol identified that activities and industrial undertaking could be divided into six groups- (1) Technical (production, manufacturing(2) commercial (buying, selling and exchange), (3) financial (search for, and optimum use capital), (4) security(protection property and persons), (5) accounting (stock taking, balance sheet, costs, statistics), and (6) managerial (planning, organization, command, coordination and cortrol), Fayol most devoted to discussion an analysis of managerial activities and he recognized that for every activity there exists corresponding ability. Technical ability is most required for workers and managerial ability demand mostly higher level manager. In general, Fayol was the first person, who clearly identified and described about specific functions of management. He categorized it into five-planning, organization, command, coordination and control.

Fayol observed as managerial quality and training. It is also known as managerial skill. He considered that managers required to quality in (1) Physical (health, vigor, address), (2) mental (ability to understand and learn, judgment, mental vigor and adaptability) (3) moral (energy, firmness, willingness to accept responsibility, initiative, loyally, tact, dignity), (4) educational (general acquaintance with matters, not belonging exclusively to the function performed) (5) technical (peculiar to the function), and (6) experience (arising from the work proper) (Ever and Burrow).

Based on Fayol's experienced, he developed and list out some guidelines for managers 14 general principles of management. Such as (1) division of work (2) authority and responsibility, (3) discipline (4) unity of command, (5)unity of direction, (6) subordination of individual interest to general interest, (7) remuneration, (8) centralization, (9) scalar chain on line of authority, (10) order, (11) equity, (12) stability of tenure of personnel, (13) initiation, and (14) spirit de corps.

Lyndal F. Urwick, Mooney and Riley, H. Simon, L. Gullick also have contributed for making this principle as universal concept of management.

#### 1.3. Bureaucracy theory

Bureaucracy term derived from French and Greeks. In French word 'Bureau' meaning is dens or office and the other words 'Kratos' meaning is rule or political power. Thus, a bureaucracy is a body of non-elective government official and administration policy making group (Khadka). Bureaucracy refers to legalized formal and hierarchical structure. It has clear rule and regulations, must strictly follow.

The German sociologist and philosopher named Max Weber developed a theory in 1922 is called bureaucracy theory. He was not only sociologist, he was known as administrative scholar and political economist too. He discussed an ideal type of organization, which is called

bureaucracy. In organization, Weber observed and analyzed specialization of job scope, merit system, uniform principles structure and hierarchy. In Weber's thought refers that bureaucracy theory is much useful to operate large and complex organization. He advocated that bureaucracy is logical, rational, and efficient.

According to Acharya and his associate that core principles of bureaucracy are formal hierarchical structure, division of labor, functional specialty, formal selection process of employees, career orientation, formal rules and regulations, impersonality and Forman record management. The theory advocated that to improve the organizational performance, management should follow prescribed rules and regulations with focusing work efficiency and effectiveness.

## 2. Human relational and behavioural science theory

Early 1920's began to study about human relation and behavioural theories. These theories are extended and improved form of classical theory. So that it is known as non-classical theory. Mainly, this theory had been practiced in the 1930 to 1960s period.

The classical theory was concentrated only physical materials. That considered and focused on structure, formal organization, economic factor, objective work efficiency by disregarding human behaviour such as human needs and values. In classical theory takes the human being just as a mean of production and productivity. Therefore, management thinkers and practiceners began to studies about work focusing to social and psychological factors.

This theory have two streams- (a) Human relation theory (focused to persons' relation) and (b) Behavioural science theory (interrelation and employee behaviour.

#### 2.1. Human relation theory

In classical theory hadn't been given to priority human being. But, the human relation theory has most prioritized to interrelation between management and employee.

Firstly, Elton Mayo, F.J. Roethlisberger and their colleagues conducted one famous experiment in Hawthorne plan of the western electric company, USA in 1927 to 1932. Which known as Hawthorne study. Basically they studied in four factor-

- (i) Illumination experience: In 1924-1927, the national research council conducted a study to effect of illumination and other conditions depend workers and their productivity collaborating with western electric. During the study groups were divided into two by managing different levels of illumination 'bright' and 'dim' but observation has shown that both group's productivity was same in finally. This experiment declared that productivity couldn't improved by work environment only. There should be considered to informal social relationship with working group's members.
- (ii) Relay test room study: This is the next study. This studies prior objectives was to know effect of condition changes in group productivity. Experts constructed two homogeneously taking six girls in each group. In one group had introduced several new working environment and another group's was static. In response, the productivity was improved than static environment. In conclusion, man influenced by need for recognition, security and sense of belongings.
- (iii) Mass interviewing programme: In this study, researchers were enthusiastic to know the perceptions and work life of people. This programme was conducted asking questions by

involving 21,000 employees nearly for three years. In conclusion, informal relation and social and psychological needs influenced employee behaviour than physical environment.

(iv) Bank wiring observation room experiment: This experiment's main target was study and analysis of social relationship in working group. While, 14 male employees were grouped for seven months. The outcome of studies was the employees were influenced by group standard productivity than management standard. Or, the employee's hard labored under social factors like good relationship between employee and management and high moral. and so on, and increased productivity.

## 2.2. Behavioral science theory

In the field of management development, neo-classical scholars 1940-1950 has contributed for behavioural science. They were mainly Abraham Maslow, Douglas McGregor and Frederick Hertzberg. In behvioural science theories studies about Maslow's hierarchy of needs, McGregor's theory 'X' and 'Y', Hertzberg's two factors theory, and participatory theory.

## 2.2.1. Maslow's hierarchy of needs theory

A humanities psychologist Abraham Maslow had developed in 1943 hierarchy of needs theory. His long experimented find out that man have five basic needs. Those are-physiological need, security needs, social needs, esteem needs, and self-actualization needs, which motivated to employee at work. Human being is eager to fulfill their needs each unfulfillment needs. It motivates to employee to fulfilling their needs.

## 2.2.2. McGregor's theory 'X' and 'Y' theory

An American social psychologist Douglas McGregor developed the theory 'X' and 'Y' in 1960, which known theory 'X' as negative theory and 'Y' as positive theory suggesting two aspects of human behaviour at work.

The assumptions are the theory 'X' people dislikes to work inherently, and as far as will to avoid work if possible, most people motivated through financial incentives. In general people are poor decision makers, they prefer to led by other, in average people have individual related ambition and wants to security for act. For this types people most appreciated authoritarian leadership style leadership.

Hence, theory 'Y' assumed that average people have inherently like to work as natural. People are committed to the objectives and want to take responsibility, to use of their creativity, self direction and control. Ultimately, satisfaction of ego addresses through reward.

#### 2.2.3. Frederick Hertzberg's two factor theory

Two factor theory was developed in 1959 by an American psychologist Frederick Hertzberg. It's also called dual factor theory. Hertzberg clarified that behavioural factors motivated to employees at work. Those factors should be identify by manager and must to motivate to work. He classified human behavioural factors into two, hygiene factor and motivation factor. Specially, hygine factor regarded to prevent job dissatisfaction and it's related to extrinsic. And motivation factor regarded to role job satisfaction and related to intrinsic.

Hertzberg was a first behavioural scientist. This theory is concern on interviewed based. Hertzberg and his followers have had been taken an interview with involving more than 200 engineers and accountants.

## 2.2.4. Participatory management theory

The American social worker, management consultant and pioneer of organizational theory and organizational behaviour Mary Parker Follet advocated about participatory theory (Khadka). In participant management manager should be consider to involvement of employees in management through joint committee, joint group, joint systems, group circle, representativeness and so on. Participatory management theory most stressed to interaction of management and works.

In participatory management, physically and mentally highly motivated to employee and make good relation between management and employee. Participative decision makes high productivity as a result.

## 3. System theory

A system is an interrelated set of elements that function as a whole (Adhikari). In system theory involve the main elements are input, process and output. In input, organization obtains resources from external environment as capital, physical goods, human resource and information. Hence, with the help of processing transform it into output. Process is interrelated with organization's total activities. There have been close and open system. In generally, classical system have lack of complementary system.

Again, each system have subsystem and these are also interrelated to each other complementary activity in an organization and the subsystem has also system to complete.

Although, Robert Katz, Daniel Kahn, Ludhing, Bertalandy, Kenneth boulding, Norbert Weinus, Hertbert Simon, Chapter I. Bernard have made contribution for the dominant of system theory.

## 4. Decision theory

In management field different views have been highlighting. Herbert Simon, Luther Gulik, and Lyndall Urwick advocated that effective decision might be effective management. In decision making theory management is a decision making. In management, a manager must do rational decision in all activities. Organization's success and unsuccessfulness depends on manager's role of decision making.

## 5. Management science theory

Management science theory is a scientific, statistics, mathematics and physics based theory. So that, this theory is called mathematician as quantitative concept theory too.

Basically, in Second World War, British army developed this theory to solve complex military problems. They formed a group of operation research involving scientists, mathematician, and physics expert. Though, after passing time, this theory begins to apply other organizations too. But this theory more emphasized to the mathematical and statistics techniques for solving managerial problems. In management science theory every problems can be solved with the help of mathematical tools and techniques.

## 6.. Contingency theory

The contingency theory assumed that there is not 'one best way' to solve management problems. But classical approach considered that have been universal approach a single 'one best approach' to managing people and organization.

In 1961, Tom Burns and G. M. Stalker of Tavistok institute of London developed the functions as 'mechanistic' and 'organic' management system in contingency theory (Adhikari). And these systems appropriate depend on the nature of organizational environment. They obviously advocated that mechanical management system appropriate for if organization's tasks are routine and unchangeable and organic management system for innovative entrepreneurial activities are important.

This theory is also known as 'if' and 'then' theory. Because, where 'if' depends on independent variables and 'then' stands for dependent variables. Or, different organizations' have not 'one best way' to solution problems because of having different situations. This theory adopts the 'if' and 'then' model for decision making in management.

# 7. Contemporary or emerging management concepts

World is dynamics. Everything is changing day by day. So that, management perspectives also changing accordance with rapidly changing environment. These incidence made up oblige to management scholars and experts for study, investigate and develop a favourable contemporary management theory. In this current situation, new thinkers have been arising with emerging management concepts as knowledge management, workforce diversity, outsourcing and learning organization.

# 7.1 Knowledge management

Knowledge is a skill, ability and efficiency of human being (Acharya and his associates). At present, knowledge is also taking as an important tool for management in organization. So that, manager should consider about effective exchange of knowledge amongst employees in organization. Although, knowledge perceives through experience and innovation. Organization converts the knowledge to pertain intangible assets.

In fact knowledge management concerned with the process of information identifying, acquiring, organizing, refining and dissemination. Management should consider for effective management in organization by providing proper information to all related employees at suitable situation. This concept also have began to highlighting in contemporary time.

## 7.2 Workforce diversity

In the modern age, world is fast changing into globalization. Globalization is the integration of social, economic, political, technology in the world with freely exchanging. So that there assumed that is not any limitation for supply of goods in the world.

The human resource is an important resource of an organization. Now, It have been supplying rapidly over world without any restriction. Thus, the diverse group people have been getting the opportunity to involving at work as employee in an organization in the world.

Workforce diversity is heterogeneous employees in an organization as age, sex, gender, race, ethnicity, religion, language, education level, intelligence and other diversity group. Hence, the manager should consider to get in low cost, high benefit by effective management. Management should behave to workforce diversity by individually and organizational perspective.

#### 7.3 Outsourcing

Due to the globalization, no one an organization can be a complete perfect in total solution. So that organization obtains there requirements as goods, services, technologies, etc. from external sources through subcontracting is known as outsourcing. This perspective's main aspect is to

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provide quality goods and services by reducing cost. Hence, the outsourcing is a new concept in contemporary management. It's main aim to enhance competitive power and effective management of organization by subcontracting.

## 7.4 Learning organization

Learning organization is a creating learning environment in an organization. There is nothing permanent, everything is changing accordance with dynamic environment. So that organization's operations must tolerance with dynamic environment. A manager should be consider to make an employee readiness and reasonable as contemporary environment in organization as well. This concept's realized that employee may ready to responsible, willingness to work and enhances capability by getting opportunity to learn as dynamic context in organization.

According to Acharya and his associates, learning organization is skilled at creating, acquiring and transferring knowledge and modifying it's behaviour to reflect new knowledge and insight.

#### **Result and Discussion**

This review reveals that evolution of management thought begins since antiquity. This history is as long as human being civilization. Even though, management practiced from thousands of years. Based on evidence, Sumerian had been practiced management in 3000 B.C.

Sumerians had been used 3000 B.C. to 2700 B.C. (Aprox.). Likewise, Egyptians in 3000 B.C. to 1000 B.C. Babylonians, in 2700 B.C. to 500 B.C. Greeks in 1000 B.C. to 2500 B.C., Romans in 900 B.C. to 500A.D., Chinese in 1500 B.C. to 1300 A. D. Venetians also used in 500 A.D. to 1500 A.D.,

Eventually, classical perspective emerged in 19th century. This classical theory practiced in 1890-1930 A.D., behavioural approach theory in 1930 to 1960 A.D., quantitative/management science theory in 1940-1960 A.D., System perspective theory in 1950 -1970 A.D. contingency perspective theory in 1960-1990 A.D., and emerging contemporary perspectives 1990 A.D. to till now.

The evolution of management thought developing accordance with the changing perspectives of the world.

## 1. Classical theory

Many researchers, thinkers and management scholars have contributed in revolution of management in early industrial revolution. They discussed about to maximiszd capability and efficiency of employees. Indeed, in physically improvement of labor efficiency is known as classical theory. This theory played a crucial role nearly 40 years (1890-1930 A.D.) in management. This theory have three perspectives as below-

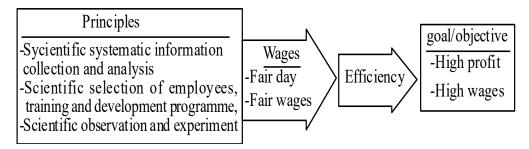
#### (i) Scientific management theory

This theory's main target is on how to get more profit? and concentrated on labor efficiency. F. W. Taylor and his followers have advocated some principles to improve employees' efficiency

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effectively. This theory guidelines to managers be considering to apply scientific management system before to solve any problems. Basically, the principles are- consider to before apply it, scientifically systematic information collection and analysis, scientific selection of employees, training and development programme, observation and experiments focus to wages of employees as fair performance, wage basis enhances to employees efficiencies can be obtain high profit in organization. We can depict this principles in fig.-1 bellow.

Fig. 1: Principles of scientific management



#### (ii) Administrative management theory

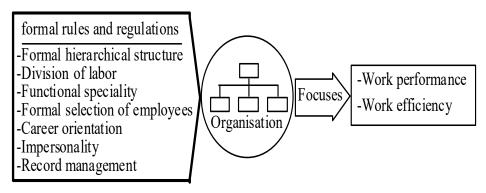
Scientific management theory has given to priority to physical and mechanistic perspective only. So that, Henry Fayol exposed extra views in administrative management theory to improving lack of scientific management theory. This theory has demonstrated some guidelines as activities, skills, functions and principles. Hence, activities categorized into six- (1) Technical activity, (2) commercial activity, (3) financial activity, (4) security activity, (5) accounting activity, and (6) managerial activity; skills into six- (1) Physical skill, (2) mental skill, (3) moral skill, (4) education skill, (5) technical skill, and (6) experience skill; functions into five - (1) planning, (2) organization, (3) command, (4) coordination, and (5) control.

Based on experienced, Fayol listed out the guidelines for managers 14 general principles of management. Such as - (1) division of work, (2) authority and responsibility, (3) discipline, (4) unity of command, (5) unity of direction, (6) subordination of individual interest to general interest, (7) remuneration, (8) centralization, (9) scalar chain on line of authority, (10) order, (11) equity, (12) stability of tenure of personnel, (13) initiation, and (14) spirit de corps.

## (iii) Bureaucracy theory

In classical theory, the third one view is bureaucracy theory, which is developed by Max Weber. Bureaucracy theory is the strictly followers of legalized formal and regulations. In the formal rules and regulations has contains formal organizational hierarchical structure, division of labour, functional specialty, selection of employees, career orientation, impersonality, record management and so on. This theory's principles may appreciate for all types organizations to get effective work performance and efficiency. This theory depicted below in fig.- 2.

Fig. 2: Bureucracy management



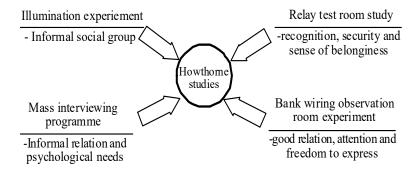
Hence, classical theories main perspective is to increase efficiency and effectiveness of labor at work.

## 2. Human relation theory

In developing of management thought, to get high productivity and fulfilling of lack of classical theories has aroused new perspective. The classical theory discarded human being and underestimated the human relation and behaviour. Consequently, considering the human relation theory developed.

Elton Mayo and his associates conducted a study in Hawthorne plant in 1927-1932 A.D. to make prove people is the important than the machine in productive. It has shown bellow in Fig.-3

Fig. 3: Howthorne studies

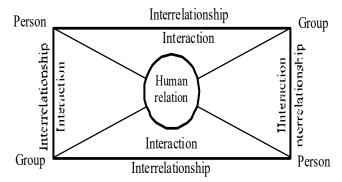


In the above fig.-3 has shown that Mayo conducted an illumination experiment in Hawthorne plant providing different work environment to workers in two group. One group has provided bright and another dim light, but at the end result was uniformity in both group. It's proved that informal social group effects the productivity.

Consequently, in the second studied, the relay test room study's result was the people want to recognition, security and belongings; in the third programmed, conducted a mass interviewing programme the participants has had given their views related to informal relation and psychological needs, and in the forth experiment bank observation room experiment's result was employee wants to keep good relation, attention and freedom to expression. In conclusion, human relation plays an important role for productivity in organization.

Human relation is interaction and interrelationship with person to person, person to group, group to group, and group to person. It's shown below in Fig,-4

Fig. 4: Person and group human relation



## 3. Behavioural science theory

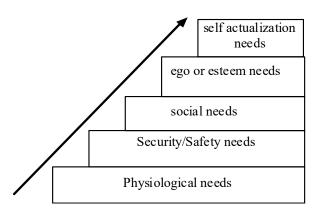
Behavioural science theory is related to people's behaviour. People's behaviours play an important role for productivity. Motivation, reward, leadership, communication, teamwork are concerned to human behaviour science.

Hence, some advocated discussed about Maslow's Hierarchy of needs theory, theory 'X' and 'Y', participatory management theory, and Hertzberg's two factor theory. These are analyzed details as follow-

## (i) Maslow's hierarchy of needs theory

Abraham Maslow has categorized and described about man have 5 hierarchical needs. Such as Physiological needs, security needs, social needs, ego or esteem needs and self actualization needs. In Maslow's perception man always works to fulfilling of needs. And the needs fulfilled by sequential order from physiological needs to esteem needs. This means man continuously motivated by only unsatisfied needs or works for needs satisfied. A man never motivated by already fulfilled needs. Man works or motivated for these 5 needs in his whole life. Thus, a manager must identify the employee's needs hierarchy level and motivate to them. These hierarchy of needs has depicted below in Fig.-5.

Fig. 5: Maslow's hierarchy of needs

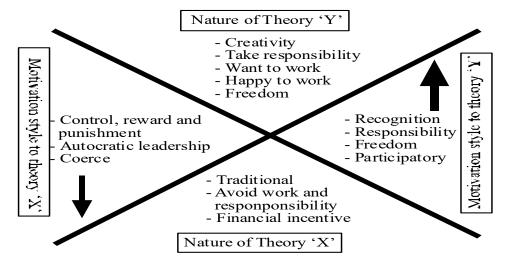


## (ii) Mc Gregory's Theory 'X' and "Y'

Mc Gregory categorized man into two types. According to Gregory the people who have naturally negative and positive attitude recognized as theory 'X' and theory 'Y' respectively. Hence, the manager should identify the people behaviour and apply appropriate principles to motivated to them.

Obviously, a manger conscious to the control, reward and punishment system, coercion, and autocratic leadership style suitable for the theory 'X' or negative attitude people and through recognition, responsible, challenging work, freedom and laissez faire leadership style appropriate for theory 'X' or positive attitude people. It has shown in Fig.-6.

Fig. 6: Theory 'X' and 'Y'



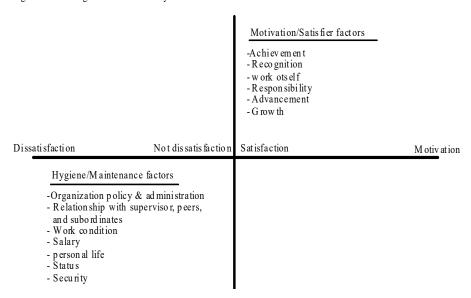
## (iii) Participatory management theory

In participatory management theory the opportunities given to employees to involving into management through joint system, providing responsibility. Participatory management interact with employee efficiency. Employee peruse physically and mentally motivated highly. In participant management produce high productivity and maintain synergy in organization with good relationship between management and employees, and rational decision making.

## (iv) Frederick Hertzberg's two factor theory

The Hertzberg's two factors theory, considered about human behavior effected by two factors-hygiene factor and motivation factor. The hygiene factor concentrated on organization policy, administration relationship with supervisors, peers and subordinated, work condition, salary, security, status, personal life, and so on. Likewise, motivation factor related to achievement, recognition, work itself, responsibility, advancement, growth and so on. We can depict it in Fig.-7 bellow.

Fig. 7: Hertzberg's two factor theory



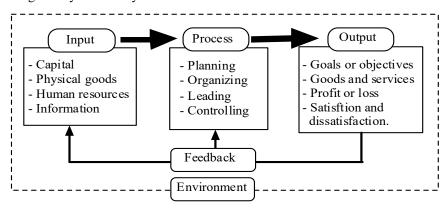
The lack of inadequate hygiene factors prevent to dissatisfied and motivation factors support to satisfy, and happy to employee. The hygiene factor and motivation factor also known as maintain factor and satisfier factor respectively.

Indeed, the human relation theory and human behavioural science theory are improved form of classical theory. So that it's known as neo-classical theory.

#### III. System theory

The system theory assumes that a set of total activities interrelated and interdependent together as a network. In a system involves processing of input, process and output. System is a total sum of subsystem. External environment provides inputs as capital, physical goods, human resources and information. Those inputs transferring to put by processing as planning, organizing, leader and as output may obtain goals or objectives, goods and services profit or loss, satisfaction and dissatisfaction. And feedback provides the information about the reaction. There have been seen any problem, management solves it. But the system's activities effected by environment. It has shown below in Fig.-8.

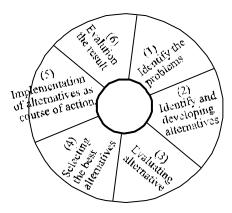
Fig. 8: System theory



## IV. Decision making theory

In decision making theory, management give to most priority to decision making. It has assumed that success an failure of management depends on effective decision making. If decision right, the result also will be satisfactory, otherwise it's adverse effect. For the effective decision making process should follow principles as (1) Identify the problems (2) Identify and developing alternatives (3) Evaluating alternative, (4) Selecting the best alternatives, (5) Implementation of alternatives as course of action, (6) Evaluation th result. This has shown Fig.-9 as follow.

Fig. 9: Decision Theory



#### V. Management science theory

This theory is developed in 1940 to 1950 A.D. It is a modern theory in management. This theory assumes that every problems solved with the help of mathematical tools and technique. It may linear programming, sample theory queuing and so on.

At first, identifying problem's translated in quantitative data, then choose the mathematical solving techniques and analysis them, for making decision. It's shown below in Fig.-10.

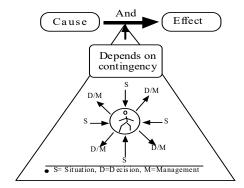
Yes Outcomes Problem solving mechnical Decision Analysis Problem in quantitative toods/technique Mathematical tools No - Planning Linear programming, sapmle - Organizing - Leading survey, queing theory, replacement theory, simulation - Controlling theory, programme evaluation and review technique, planning programme, budget system, system analysis, network analysis, game theory etc. Re-energized

Fig. 10: Process of management science theory

# VI. Contingency theory

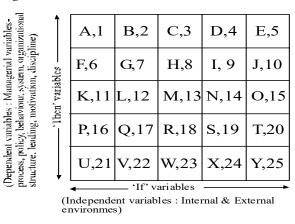
Management must understand that there is not 'one best way' to solve management problem. The world is dynamic and changing the environment is changing as rapidly. Thus, the contingency theory assumes that cause' and effect depends on contingency as situation. so management should be consider to apply different methods and techniques to solve the problems in various situation. Manager decision making depends upon the situation. It's shown below Fig.

Fig. 11: Contingency theory



In contingency theory the 'if' and 'then' model helps to decision making for management. This model also can be present in figure. It has sown bellow in Fig.-12.

Fig. 12: 'If' and 'Then' model



In the above Fig. 12 has shown that 'if' is a independent variable and 'then' is dependent variable. Hence, if is 'if' as 21 (environment situations manager must apply must apply 'then' as 'U' (managerial variable) and 'if' is '5' and 'then' must be 'E' and so on.

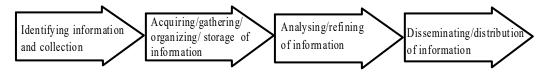
In an organization, independent variables pertains as internal and external variables. Organizational structure, policy, finance, culture, etc. are the internal environment and politicallegal, economic, socio-cultural, technology are the external environment. Likewise, dependent variables 'then' is managerial variables. It has contains managerial process, policy, behaviour, system, organizational structure, leading, motivation, discipline etc.

## VII. Knowledge management

Management should consider for maintain and enhancement of organization's efficiency and effectiveness as changing globalization. In changing perspective of management has emerging knowledge management concept. The knowledge is strengthen and intangible assets of organization. Knowledge management is process of identifying and collection of information,

organizing, analyzing, and disseminating of information in organization. We can depicts knowledge management process in fig.-13 bellow.

Fig. 13: Knowledge management process

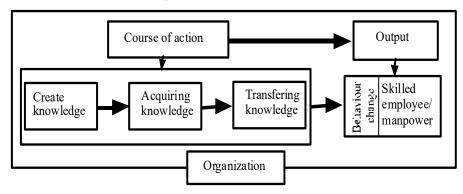


This technique enhances the compatibility of organization in the modern age.

## VI. Learning organization concept

This concept's main aims to make capable employee of organization by providing learning environment. It concentrates in enhancement of employee skill accordance with changing environment. Manager should consider about create knowledge, acquiring knowledge, transferring knowledge to employee and modifying their behaviour. This process can reveals as follows Fig.-14.

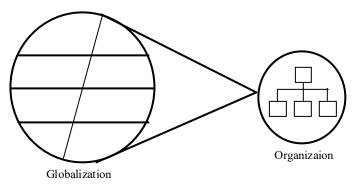
Fig. 14: Learning organization process



## VIII. Workforce diversity concept

Now a days, globalization has direct effected to an organization. There is arousing of heterogeneous employees as sex, gender, age, race, religion, education level etc. So manager must consider effective behave and manage individual and organizational perspective of diversified employees for economic benefits. It has shown in Fig.-15 as follow.

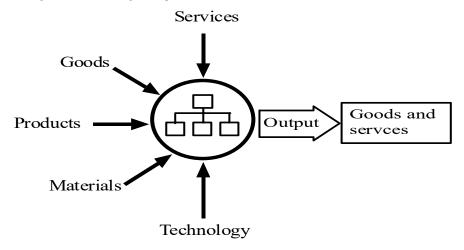
Fig. 15: Workforce diversity concept



## IX. Outsourcing concept

The outsourcing concept is a new concept in contemporary management arena. The result of globalization has been growing competition in the world. Outsourcing manages the necessary things from the external sources by contracting and subcontracting considering cost benefits, quality, image, productivity and so on in organization. We can depict the outsourcing concept in Fig.-16 bellow.

Fig. 16: Outsourcing concept



#### **Conclusions:**

The history of management is as long as origin of human beings. The experts, researchers thinkers and so many scholars studied and experimented in management according with changing civilization. They produced new thought as theory and new principles of management as guidelines for skillful and artistic management. Specially, since ancient period many more management experts have have been contributing for management development.

The evolution of management thought has been developing accordance with changing global perspective. Although, in antiquity, Sumerian had been used written rules and regulation for governance in 3000 B.C. as evidently, Later, Egyptians, Babylonians, Greeks, Romans Chinese, Venetians formally used the management principles. This trend continuing during pre-classical theory from 3000B.C. to 1500 A.D.

Early revolution of industry, new generation thinkers contributed for evolution of management thought. The classical perspective was developed in 1890 A.D. to 1930 A.D. In classical approach, scientific management theory, administration management theory and bureaucracy theory became most popular in management arena.

These theories main focused was high productivity and labor efficiency. F. W. Taylor, Henry Fayol and Max Weber were main contributors of classical theory.

Likewise, Human relation theory in 1920-1930 A.D., human behaviour management theory in 1930-1960A.D., quantitative or management science theory in 1940-1960 A.D., system theory in 1950-1970 A.D., contingency theory in 1960-1990 became very popular in management history. At present, The contemporary concepts has been emerging as modern theory from 1990-2020 A.D. and now.

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Although, scholars, researchers, thinkers continuously researching and developing the new concepts of management as contemporary perspectives like -knowledge management, outsourcing, workforce diversity and learning organization.

Management is a art of doing work effectively. It concentrates to get high productivity as profit, by maximum utilizing of available resources. It has dynamic career. For this, manager should follow the principles of management. But, management perspectives are changing accordance with the dynamic environment and emerging concepts on management continuously.

In gist, the management's principles support to manager creatively to achieve organizational pre-determined goals.

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