

Public Organization and Management
Dr. Vaneet Kashyap
Department of Humanities and Social Sciences
Indian Institute of Technology Tirupati

Lecture - 06
Approaches to the Field of Management – I

Hello dear learners, I hope all of you are doing well and follow the content of the course which I have already discussed. In the previous week when we started the course, I discussed about the concept of public management, very basic foundations of public management wherein I have discussed about the important definitions and frameworks of public public management in terms of understanding the concept. Also, we have seen some of the differences between public and private management, between public management and public administration. Also discussed about the scope, objectives of the public management scholarship, various challenges that the field confronts. And we discussed about some of the interesting research, the articles, what they have to offer in terms of the understanding of public management as a field. Now, as the context and the foundation of the course is being set, now we are going to go ahead with the discussion on the further topics in the course.

Just to remind you that at the moment, I am discussing about the theme one. Theme 1 will have three broad modules to be covered. The module 1 which already we have covered about the foundations of public management. In this session, I am going to start the module number 2 which is on understanding the various approaches, principles and the theories of organizational management.

And I will conclude this particular theme with the discussion on understanding the environment of public organization and how various environmental components impact the functioning of the organization, right. So let me start discussion on approaches principles and theories of the organizational management and I will discuss about and why we are even talking about these principles, theories you know of organizational management which have been proposed way before right Now, we are in the contemporary times, changing times, lot of complexity and still we are talking about these old theories, approaches. Why? This is the reason that we want to discuss about this and that too is to understand the applicability of these all or understanding of these theories towards the practice of management in the public organization. So, the focus will be on understanding various approaches, the principles and various theoretical frameworks which are proposed in the organizational management. So, let me begin first of all with the contents, what we are going to talk about in this particular module.

We will start first of all by discussing about a very brief history of the organizations in terms of the major developments happening in the field of management research in the context of the organizations. Then I will discuss about the broad categories of how the management thought is being classified into different schools of management thoughts, classical approaches, administrative management school and bureaucracy, human relations and contributions of the behavioral school. I will also talk about decision making approach and systems approach and finally, I will conclude this particular module with discussion on efficiency and effectiveness perspective of public management. Let us first of all start, go back little into the history and look at the history of organization. Now, if you look at the presence of management practice, how management is practiced, you can simply say that the practice of management is as old as the human civilization.

Take some example of the ancient civilization. you know, the ancient civilization, how they have practiced the management to design and build the structures of the towns. Great pyramids by Egyptians. They provide example of management being practiced in the form of managing thousands of workers and of course, in addition to the engineering complexity. And imagine the state where a large number of workers are involved in the greater levels and then you will require a lot of coordination and you have to direct the activities of the workers.

So, this particular goal achievement of making something which requires a lot of effort, it cannot be achieved without the effective management of the resources, we are talking about the management of people how you know to direct the activities of the people so one cannot think about doing it you know without the management practice so we are not saying that at that time the management practice was you know kind of very much formalized in terms of the field but it was practiced, people were involved they were you know carrying on a lot of activities there were people whose direct you know activities are to be directed and controlled But of course, as a field of management, as the formal field of management, we are not telling about the state there. But still, we see the essence or we'll see these practices of management being used by the people then in order to achieve the goals. Let us look at another example of Roman town planning. Roman town planning is another example which is demonstrating the use of management function in the form of organizational structures and systems to manage various activities like municipal services, traffic and roads. So, you see that again if you really want something to plan in that way of course, you have to have systems in place because you want to achieve those kinds of goals or want to achieve those outcomes which are important.

So, management again, you see some kind of traces of management being present there as well. Perhaps one of the more common or very familiar example to all of us will be on that we have witnessed in our world or read about in our history classes is about Indus Valley Civilization. As per the excavation by the historians and the archaeologists has

been seen that there were traces of town planning, there were structure. So, it all has led to an understanding that of course in some or the other way the management as a practice has been in use. in order to achieve the outcomes, to manage real activity, to build life around.

So, this is what is the little brief history of the management being practiced, of course, not as a formal field of discipline, but of course, some traces of management being done there. But if you look at the way the number of organizations are increasing, because of more competition, you know, the dynamic environment, you know, the focus on innovation, focus on new products and services and see that the number of organization if you look at it has recently, you know, is a recent phenomenon, right. In last two centuries, if you look at the number has increased, you know, much, right in terms of, you know, the complexity in the system, right. But the purpose of this module is basically to review the major development in the theory. So, the way from the time the organization start evolving, we talk about industrial revolution, we talk about industrialization, the way the organization start evolving, how the management has been understood.

What were the various contributions by these management thinkers in terms of how management is to be practiced, in terms of best practices, the kind of experiments they have done to see what works in terms of effective management, some of the principles, theories, approaches, the way somebody should look at the way management is to be practiced. So, if you look at this thing and if of course that we will trace the evolution thought of management, you will see that the thinkers, if you notice that they have not talked about the context per se in terms of when they were proposing or doing the activities to understand how management is practiced and what are the principles, approaches or ideas of the management. So, context in that particular process is not a factor in terms of how it is to be practiced. So, major contributors, if you look at, they treated all the organizations and management similar in the approach. They did not consider that context to be very crucial and if you look at this particular aspect you know of more you know making the management more generic and more you know open without the context it has large applicability for the organization the way it is being practiced in the various organizations, being private or public or NGOs, right, various organization how management is being practiced so one can pick up the you know look at the principles which are being proposed.

And can see the applicability of those principles or management thoughts or the best practices or models or effective the criteria or effectiveness criteria, efficiency approaches and then can see what is the applicability of those model in the organization context and then they follow. But the issue here is what are the reasons that why we are developing or why we are even reading about this management thought in terms of understanding of the public management. First of all, as the management discipline, the

people who are into the management profession, they should be well aware of how management has been seen or practiced and what were the contributions of the management thinkers to the understanding of management. Why? Because it will give them some indication of some of the areas which are very peculiar to the school of management. That's why there are, of course, the formal programs, the degree education programs, which talks about the discipline of management in terms of teaching and learning.

That's why people are actually undergoing these programs to learn this particular, the contributions of the management, not only in a general management thought, but the various functions. You will see people enrolling into the public management programs, people entering into the Masters of Business Administration program, including various specialization on operations, production, marketing, human resources. Why do you think it is happening? It is happening because it really adds value to their understanding of knowing or understanding the content of the specialization, which is management, of course, to their respective areas. So, the tracing or learning about these management practices or approaches will expose these learners or the management professionals to the important terms you know the important frameworks or the vocabulary of the management which is prevalent and then possibly can make use of those things in their daily activities when they are pursuing the managerial functions right so if you look at this particular trend you know also leaders in the organization or the analyst in the organization also very much need to be aware about these all you know the management thoughts Because what can work in terms of best practice maybe or in terms of some learning from the history or presence of the best models which are being prescribed in the literature or in the history of management, sometime can come help the leaders and analyst or the manager in the organization to improve the functioning of the organization. Also in terms of research, people who are really into the research of the management history, also will have to you know expose themselves to the literature you know learn and read more about the historical developments and try to see that what were the agenda or what were the thought processes of the management thinkers when they were actually proposing or contribute towards the thinking of the management, how organizations impacted, what kind of factors they led to the contributions into the field of management and it is still continuing.

It's not that it has stopped at some point, it's still continuing by the way the organizations are changing, the way organizations are growing, the competition is becoming intense, a lot of digitalization happening, policies and process changes happening, innovation and creative ways to do things, products and services. So, in the way that, again, the management, the way the management is practiced, it is changing. You will talk about in terms of processes, management relationships, relationship between the subordinates and the superiors, all things are undergoing change because of all these kind of things. For

example, if you look at COVID-19, right, During COVID-19, it has been seen that the way the organization started functioning, going online overnight, conducting meetings online, doing business online. So, this also is a contribution in terms of the way management practice has changed and evolved over a period of time.

So, this is a very important understanding. But if you look at the evolution of the theories from classical to the contemporary approaches, the complexity has only increased. So, that is what because of the increase of the complexities in the organizations, there was also the emergence of the more contemporary approaches to the management field, some of which I will include in the discussion in this particular module. Of course, some of that you will also learn when you will practice management and you become management professional. Some of you, if you are students, if you are in the management field and if you go to the corporate world or in the public sector organization or government, when you also practice management, perhaps tomorrow you will come up with something very interesting in terms of the contribution to the field of management.

The way you, you know, manage people the way you manage organization. So, that's another interesting, you know, way to look at why we are talking about, you know, this particular thought process. Another thing is the shift of emphasis of the theories, you know, from classical approaches to the contemporary approaches, we are now moving towards more flexible and adaptable systems, right, rather than very rigid structures where the hierarchies were tough. In some ways, it is required also in some organizations depending upon the context. But if you look at the contemporary approaches are now moving towards much more talking about the concepts of participation, teamwork, empowering leadership, systems being more flexible and adaptable.

And this is with this intention, the discussion on this particular module will continue, right? Let's quickly, first of all, I'll tell you what is the thought process here. And we'll talk about what Rainey, Fernandez and Malatesta in their text talks about the systems metaphor. According to the authors, they mentioned that, the organizational theorists, they have kind of related the management field movement from classical approaches to contemporary with a system metaphor. What is the system in simple terms? Systems that is taking input from the environment, do some processes and very simple terms, do some processes and then come up with the outcome, outputs. And then there is a feedback which again is a loop back to the input there.

Now, different kind of systems are closed systems, open system and adaptive system. Closed systems are the one which do not interact with the outside environment. It do not let the outside changes in any way disrupt the functioning of the internal organization. So, there's basically a closed system. And ideally, if you look at in contemporary world, you will not come across any system.

In fact, you will not come across any closed systems if you look at in terms of organizational setup. All organizations are more open or adaptive system. What is the meaning of open and adaptive system? Open system means when the organization, they are interacting with the environment, this is an organization's internal environment, this is organization's external environment, because organizations are embedded in the external structures what you will see that whatever changes are happening outside the organization it will automatically impact the functioning of the organization inside. So, basically responding to these changes is what is making the organization more adaptive and open. So, this is basically is a system approach as per the author, is a helpful metaphor because classical theories they say that they considered the classical approaches to be more closely related with the closed system and if you look at the contemporary approaches this is more closely related with the open or adaptive system.

So, we will continue with the discussions on the various theories and try to see how they are going to contribute towards the management thinking and also the understanding of public management in the government organizations. Now, in order to see in how many categories the school of management thought has been classified, look at this particular table here. These can also be called as 'Approaches to management' or we can also term them as 'Schools of management thought'. Now, these approaches are broadly classified into Classical approaches, Neoclassical approaches, which also deals with human relations movement and behavioral approaches and then we will close our discussion on Modern and contemporary approaches. Now let us start discussing about the first set of early approaches which are termed as together termed as classical approaches.

Now if you look at the emphasis of these classical approaches the emphasis was on stable and clearly defined structures and processes. And these classical approach contributors, they consider that managers are confronted with the clear goals, they are given the clear goals and what is required, these managers are to devise means and processes to enhance the productivity of the organization, which is of course hence related to the overall efficiency of the organization. Now what is the idea? Idea is this classical approach is said that these managers are confronted with the clear goals. Now they have to make sure that the means and processes that they are devising to achieve these clear goals are effective and efficient so that the productivity is enhanced with the maximum output. Now the issue is with this is that these approaches, they consider these managers and these organizations to be working like machines with no importance given to human relations, organizational, social relations and psychological aspect of working in the organizations.

One of the early proponents of this particular approaches which is scientific management was Frederick Winslow Taylor. Frederick Winslow Taylor was considered to be one of the pioneers in the managerial analysis and often considered to be major contributor to the field of scientific management and termed "Father of scientific management". Now,

Taylor's contributions to the scientific management were the results of the experiments conducted by him during his tenure at Midvale Steel Company tenure between 1878 to 1890. He has done a number of experiments in this particular organization to perform various kind of managerial analysis to come up with some kind of scientific management contributions to the field of management. Now this company Midvale as a leading steel firm in the era specialized in manufacturing of locomotive, wheels and railway axles.

And the company during that time followed piece rate system for workers. Now company was of the view and believe that if we follow the piece rate system for the workers, the worker will increase their productivity because the idea is more they produce, the more earning they will have from the organization, in comparison to if they are given fixed pay rate. Fixed pay rate will not motivate them so they will only do what is required but there will be no motivation to increase their productivity. So, what was efficient for organization? Piece rate system. Now, to Taylor's observation, the workers in the factory were involved in the practice of soldiering, meaning deliberately slowing their work and acting as if they were working very very fast.

Now Winslow Taylor also differentiated between two different kind of soldiering which is natural soldiering or systematic soldiering. Natural soldiering is basically the basic tendency of the human beings to go lazy and do work at a pace. Systematic soldiering on the other hand is actually a problematic situation for which the manager were trying to find out the solutions how to tackle this particular problem. In systematic soldiering what is happening is workers intentionally are slowing down their work and show it to the management that they are working to their full capacity. Now, why would workers indulge into these kind of practice? Now, reasons for this particular practice, the one, workers fear that if they complete their work in the least possible time or if they work fast, they will be laid off.

That was the reason that they were indulging into soldiering. Number two, the workers also have a fear that if they work fast, if they complete their work fast, the manager will then or organization will then reduce their piece rate because they would know that the worker can do fast, more outcomes or more outputs are achievable. So piece rate will go down and then they have to do more work with the same kind of pay that they take home. So these are the two reasons which were more you know attributed to the practice of soldiering by the workers in the organization. Now according to Taylor, it was the management but not the workers who were responsible for these kind of actions by the workers.

Now according to him what was the job of the management they say that Frederick Winslow Taylor commented that the manager's duty is to systematically, when I say manager I mean the organization, systematically analyze the various tasks in a job performed by the workers. Now how they will do that, you have to gather information on

the processes and of course then analysing those information, make rules and guidelines for identifying the most efficient and one best way to perform the required task. Now what will happen if the management will define how a job has to be completed. Okay, then what will happen is the workers will not have any reason to indulge into the behavior which is soldering because they will be caught then. Now, after this identification of one best source was identified, the workers were then to be selected and of course trained to maximize their output and the earnings.

So, Winslow Taylor was of the view that workers should work to increase their earnings and actually work without the manager because when the manager is involved in there, there could be conflict, there will be issues between them and there could be interpersonal relationships happening, conflicts will happen. So, if they know what to do and in what time they can complete work, they can actually enhance their earnings. Now, following this, Frederick Winslow Taylor came up with two important managerial practices. He conducted time studies. Now, accordingly what he has done, jobs that the workers were performing, they were broken down into the elementary movements.

Now, for example, how the workers were actually performing their jobs, how are they picking up the resources, the materials to produce the outcomes, what are their movements when they are working in their work systems, they were all described, recorded along the time. And after this, the waste movements were eliminated from the process. And finally, the correct sequence was identified and timed and considered to be one best way to performing the job as per the time studies. Another important aspect is differential P-series system. Now, Frederick Winslow Taylor was of the view that depending upon the time studies observation, the management actually should set the output standards depending upon what can be achieved, depending upon the time studies observation in that time and then also set the standard piece rate, standard piece rate now what is the meaning of differential piece rate system.

Differential piece rate system means that we need to pay workers more than the standard piece rate which is fixed if the worker is completing the work in time less than the specific time. Now if you recall that we said that the managers after the observation of the time studies they have to set the output standard and also the standard piece rate and time is also recorded in terms of how much time it is required to complete a piece of work. Now when the worker is meeting the outcome requirements in the time lesser than which is specified they should be paid more than the standard piece rate which is set means they will get higher piece rate and the worker who will not be able to complete their work in time and they take more time the rate lower than the standard piece rate should be paid to the workers. Now, the application of the analytical procedures of the scientific management of this sort are still in use in some of the industry, especially if you look at the manufacturing industry. Of course, with the more involvement of the

technology and automatic procedures, it is still in use, especially in terms of how assembly line works.

So, there is an application of scientific management principle in the industry. Continuing with the another contributors of the scientific management school, we are going to talk about the contribution by Frank Bunker Gilbreth and Lillian M. Gilbreth. They were contemporaries of the Taylor and they were also a part of a small group who were pioneers in the field of scientific management. To Gilbreth's observation they have seen that there is lot of waste happening in the organizations including government, industries and people's personal life.

Now their devotion to this single goal to "Eliminate the waste and finding the one best way" and they were focusing on the motion studies. Though motions were also part of the Frederick Winslow Taylor's time study, but the more emphasis was given to timing the movements. But in this case, Gilbreth, they also focus on the motion studies. In fact, Frank Bunker Gilbreth was actually, you know, observing the brick laying process during his part-time job and he was trying to find out how much time it is taking the workers to lay the bricks. And he said that we can find out ways to reduce the number of movements which are worker taking to laying the bricks.

So that was also another contribution of this particular study. Now this particular goal has led to the findings of the processes by which individuals can maximize their full potential which can benefit both themselves and society. Lillian M. Gilbreth considered 'First lady of the management' because she was the one who brought the human factor to the scientific management psychology of management which means that welfare welfare of the workers, bringing human factor to the scientific management. They actually worked for the methods to retrain soldiers in the army, also helped in designing tool for disabled, for example, a typewriter for one armed typist.

They also worked with General Electric for designing appliances for disabled. So considering their contribution, it was important that we notice this. Then comes the 'Administrative school of management' again under the classical approaches. So researchers in this school they actually began to identify broad range of administrative functions. Now we will talk about functions and principle and how they are different from each other so they identify broad range of administrative functions and then also proper means to carry out these functions these group of researchers who was contributing to the school they were together called as administrative thinkers; administrative school of management they focused on developing principles of administration to guide managerial functions.

What kind of managerial functions? Planning, organizing, directing and others. Now these functions require some kind of means which should be principles which guide the actions of the managers to conduct these managerial functions. Now two major proponents of this school were Luther Gulick and James Mooney. First, we will talk about the contributions by Luther Gulick, 1937, propounded two fundamental functions of the management, division of work and coordination of work. Now, according to Gulick, the work should follow, the division of work should follow the specialization, meaning we should match skills of workers with task, means specialized people should be given tasks.

Another important thing is clear assignments of the task to the people, very very important. Division of work should follow specialization, matching skills of workers with the task and the clear assignments of the task to the people. Once these tasks have been divided, coordination of the work should be guided by other principles of management including span of control, each subordinate should have only one supervisor, and the principle of homogeneity. Now what does this mean? Span of control means that number of people reporting to a supervisor should be limited. So that the worker who are working under the supervisor should get undivided attention from their supervisor in case of their work requirements.

Each subordinate should only have one supervisor, so there is no confusion about order taking supervision. And principle of homogeneity to be followed, meaning similar tasks should be grouped together, dissimilar task should not be grouped together. This is what is the important contributions in terms of coordinating the activities of the workers in the organizations. Luther Gulick also defined the scope of management, sought to define the job of the management and proposed at that time, which later became the most influential acronym of the management, famous acronym POSDCORB. Now what does the acronym stands for? This acronym stands for planning.

What is the meaning of planning? Setting the broad plans for the organization, outlining the broad plans for the organization, what needs to be done and what are the methods which need to be followed to accomplish the targets of the organization. Then comes organizing. Organizing is the another management function very important that to establish the formal structure of authority with the subdivisions. The work of the subdivisions arranged, defined and coordinated to achieve the activities of the organizations.

Then comes the staffing. Once the structure is in place, the positions are in place, subdivisions are set, now we have to put people in those positions who will work for the various jobs and activities to achieve the targets of the organization. So it focuses on what? Recruiting people, training people and making sure that the suitable and favorable conditions of work are provided to these people. Another very important management

function is of directing. Directing is basically leading the organizations, making decisions, making use of authority to issue orders, to instruct people, in a way motivate people and directing the activities of others in the organizations.

Next is coordinating. Now, because we have subdivisions, we have talked about subdivision in the case of organizing, the work of these subdivisions is to be integrated. We have to integrate the work of these subdivisions. Now, when this integration takes place, then only the overall objectives of the organization would be achieved. Then comes reporting. The managers and the people who are working with the manager in the organization should take updates of the status of the working activities in the organization and also keep everybody informed about the status progress.

And if there are any kind of deviations, there should be actions or there should be, you know, the contingency plan to take care of how to take care of the problems there, right. The finally comes the last function which is budgeting. More to do with the financial planning, accounting, audit and control. Now, please see these are the functions of management.

Now, to carry these functions properly, there are principles. Now, we will talk about also the principles in little more detail. In the previous slide, we talked about two principles given by Gulick in 1937. Now, we will talk about the principles propound by James Mooney in 1930. James Mooney coined the term the scalar principle, talked about the scalar principle and he was of the view that organization must have the level of authority and of course corresponding responsibility and Mooney used the analogy of a scale and the graded series of steps to illustrate his view. He said that there should be authority levels in the organization and each one should have the responsibility to take care of.

Now this scalar principle involved several other principles in order to make effective use of this principle. The first among these is the, the coordinative principle, which means that there should be one supreme coordinating authority at the top of the organization, And through scalar chain, which is just the another principle within this particular thinking, scalar chain coordinate the entire structure of the organization. Now, you please see that we are talking about the scalar principles application by use of another set of principles which are required. So, there will be supreme coordinating authority who will be instructing the entire set of the organization through scalar chain. Scalar chain is what? Is the basically the people from the top rank in the organization to the lower rank, right? Now scalar chain is further to be related to the principle of delegation means how authority should be delegated.

Now have higher level people in the organization will assign the responsibility of the work to the lower levels in the organization and this assignment of responsibility will follow the functional principle. People should be assigned responsibility depending upon

their functions. For example, if you talk about functions in case of management, we have human resources function, production function, marketing function, sales functions, operations are there, IT function is there. So, depending upon who is specialized to do what kind of task, they should be assigned work following the functional principle. So, these were the contributions of the administrative, the two pioneers in the administrative school thought of management. We will continue our discussion on the contributions by Henri Fayol, a French industrialist who propounded 14 principles of management to achieve efficiency.