



Development of Management Thought

KEYWORDS

An attempt is being made being to trace the history of development of management thought.

Dheeraj Kachchhawah

Research Scholar, Singhania University, Pacheri (JJN)

Dr. G. N. Purohit

Research Guide, Singhania University, Pacheri (JJN)

ABSTRACT

The technique of management, like the art of administration and the science of organization has ancient roots and medieval branches.

The practice of management dates back to the origin of the first organization of our civilization. Our ancestors used many management principles, procedures, techniques etc. but no attempts were made to accumulate and systematize the knowledge of management practices. Such attempts could be started only from the late 1800s. Therefore, the management as systematized field of study has relatively a short history.

The major historical stages or events in the development of management thought can be discussed under the following heads :

- (i) Management in ancient civilizations.
- (ii) Management during the medieval period.
- (iii) Management during the period of Industrial Revolution
- (iv) Period of systematized management. This period can be

sub-divided into the following categories :

- (a) Era of scientific management.
- (b) Era of administrative management.
- (c) Era of behavioral science
- (d) The modern era of new approaches to management

I. MANAGEMENT IN ANCIENT CIVILISATIONS

It is usually stated that stone of development of management is the story of development of human kind. In fact, many well accepted principles of management of today may be found in historical records of many civilizations.

Historians are of the view that the Sumerian civilization (Around 5000 Development of Management Thought PM/89 B.C.) is the oldest one. In Sumerian civilization, temple priests collected taxes and managed estates. The priests recorded the transactions on clay tablets.

Their well-developed record-keeping procedure is an evidence of existence of management practices in the Sumerian civilization.

The ancient Egyptian civilization (5000 to 525 B.C.) are also reported to have used many sophisticated techniques of planning, organizing and controlling in the construction of pyramids and buildings. They used decentralized organization in managing their empire. In Babylonian civilization too many management concepts were used. The concepts of control and responsibility are found in the Code of Hammurabi, 1750 B.C. About a thousand years later during the reign of Nebuchadnezzar (662-605 B.C.), some techniques of production and inventory control and piece-rate wage payment system was practised.

Ancient Hebrews also knew and practised the management concepts. Jethro's famous advice to Moses, his son-in-law, who demonstrates the understanding of the concepts of management. Jethro suggested the need for proper planning, delegation of authority and effective leadership and ex-

ception principle etc. in managing affairs of any state. Therefore, Jethro is recognized as the first management consultant on record.

The ancient Chinese around 1100 to 500 B.C. were aware of the important management functions of planning, organizing, directing and controlling. They are reported to have used management principles in performing these functions.

The ancient Greeks around 400 B.C. knew much about the application of management principles in the selection of employees, delegation of authority etc. The great philosopher, Socrates is credited for popularizing the "universality management" concept. Plato, is credited for his principle of "division of labour and specialization".

The ancient Romans are reported to have used the principles of organization in building and managing their empire. They used scalar principle and the delegation of authority in expanding their empire. The Organization of the Roman Catholic Church is said to be one of the best examples of formal organization.

The ancient Indian civilization is reported to have knowledge of management principles. The cities of Harappa and Mohenjo-daro, found in excavations, are the evidences of the managerial skill in the ancient India. The Vedas, the Ramayana, and the Gita are the main Indian epics which highlight practice of managerial principles.

Kautilya's Arthashastra written in about 321 B.C. by Kautilya also named Vishnu Gupta and is popularly known as Chanakya. This work mainly describes the principles of economics and politics but it gave impetus to the ideas concerned with management. The book covers the various aspects of operations of the State such as duties of ruler, his ministers, and his councilors. It also states about the council meetings, departments of government, diplomats, war and peace. In addition, it also covers the organization and management of trade and commerce, taxation and revenue, mines and factories, markets, corporations etc. Thus, Chanakya has written on all the aspects of management Chanakya is considered to be the earliest or the first writer on management in India.

It is evident from the, foregoing description that management thought existed in an unsophisticated and unsystematized manner. There was little or no theory. There was no systematic exchange of ideas on management. However, some management principles were recognized in those early days and were verbally communicated locally. [Source : Clade S. George, Jr., History of Management Thought].

II. MANAGEMENT DURING THE MEDIEVAL PERIOD

Modern historians call the period between 500 A.D. and 1500 A.D. as the medieval period. The period of first 400 years of the medieval period is termed as the 'Dark Ages' by the historians. Dark Ages contributed very little to the de-

velopment of management thought. Around 600 A.D. some signs of recovery were seen in the form of feudalism. The people began to think about organization and management. Alfarabi wrote about management in the 900s. In 1100 A.D. Ghazli wrote "Book of Counsel for Kings" in which he suggested four do's and don'ts for a king

Management thinking began to grow with the beginning of the 14th century. In 1494 Luca Pacioli's book on double-entry system of book keeping was published. To management scholars, Pacioli's work is very significant because the accounting methodology suggested by him is applicable to a great extent in our modern accounting system.

Fredrick C. Lane, a historian also wrote two books in which he described some of the early managerial practices. The first book; Venetian Ships and Shipbuilders of the Renaissance is an economic history of the Venetian shipbuilding industry.

The second book. Andrea Barbarigo : Merchant of Venice (1418-1449) is a biography of an early businessman. These books provide a detailed description of commerce and industry in Italy during the period of 14th, 15th and 16th century.

In 16th century, Sir Thomas Moore contributed Utopian ideas for the management of an ideal society in his Book-I of Utopia and Book-II of Utopia. During the same time in 16th century, Moore's contemporary Niccolo Machiavelli wrote a book entitled The Prince. In this book he gave clear insight into wrong doing of young prince4managers and gave the following four managerial principles : (i) reliance on managerial consent, (ii) cohesiveness or coordination, (iii) leadership, and (iv) will to survive. In brief, the management techniques developed during this period included standardization of parts, cost accounting, inventory control piece and day-rate wage, payment systems, merit-rating plans, leadership etc.