

Management Today and Yesterday

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Introduction

Management in all business and human organisation activity is the act of getting people together to accomplish desired goals and objectives. Management comprises planning, organizing, staffing, leading or directing, and controlling an organization (a group of one or more people or entities) or effort for the purpose of accomplishing a goal. Resourcing encompasses the deployment and manipulation of human resources, financial resources, technological resources, and natural resources.

Basic functions of management

Management operates through various functions, often classified as planning, organizing, leading/directing, and controlling/monitoring.

- Planning: Deciding what needs to happen in the future (today, next week, next month, next year, over the next 5 years, etc.) and generating plans for action.
- Organizing: (Implementation) making optimum use of the resources required to enable the successful carrying out of plans (Sidhu, 2012).
- Staffing: Job analysing, recruitment, and hiring individuals for appropriate jobs.
- Leading/directing: Determining what needs to be done in a situation and getting people to do it.

- Controlling/Monitoring, checking progress against plans, which may need modification based on feedback (Sidhu, 2012).

Historical Development

Difficulties arise in tracing the history of management. Some see it (by definition) as a late modern (in the sense of late modernity) conceptualization. In these terms, you may not have a pre-modern history, only harbingers (such as stewards). Others, however, detect a similar management plan to the Sumerian traders and builders of the pyramids of ancient Egypt. Slave owners through the centuries the problems of exploitation / motivate staff faced a dependent but sometimes unenthusiastic or recalcitrant, but pre-industrial many companies, given their small scale, did not feel compelled to address the problems of systematic management. However, innovations such as the spread of Arabic numerals (5 to 15 centuries) and the codification of double-entry bookkeeping (1494) provided tools for management assessment, planning and control (Peck & Reitzug, 2012).

Confucius on Management

History has shown that China is a significant creator and repository of great philosophies, yet we know little of Chinese philosophies on leadership. With China becoming a global economic and political force, we need to learn from and to understand Chinese leadership philosophies. We must also consider that China is now in the process of blending its tradition, customs and practices with Western concepts and ideas. In the business world, it is the blending of its wisdom and Western practices.

Successful leadership behaviour of today's more culturally diverse workforce is one of the most important challenges organizations face (Northouse, 2012).

China's Management System

Chinese, culturally based management practices are derived primarily from Confucian principles. Confucius and his teachings remain the foundation of Chinese culture and managerial practice. One can reasonably argue that the greatest influence on Chinese culture and management practices can be traced to Confucius and his value system, which emphasizes the importance of hard work, loyalty, dedication, learning, and order social (Northouse, 2009).

Although Mao officially discredited Confucianism, cultural values espoused by Confucius left a permanent mark on the psyche of the Chinese people. Recently, Confucianism has been reintroduced in the Chinese education system (Mohan et. al, 2013) and a number of Confucius Institutes have been established. Hofstede, Adler and Goldenberg all agree that Confucian principles are the dominant input in programming the mind of Chinese employee.

The investment strategy of the Chinese, includes the following features: collectivism and harmony, centralized control, authoritarian and paternalistic management, companies with staff in the family, the expectation of employees working hard, and strong networks of organization and business relationships (Mohanty & Das, 2014). These characteristics can be traced to the value system dictated by Confucius and are influenced by the Five Relationships of Confucianism, the Five Virtues, and the Confucian Work Ethic.

Confucius

Confucius is known as the most influential man in Chinese history and often referred to as “China’s first teacher,” Confucius set the standards and values that still permeate Chinese culture (Mohan et. al, 2013).

“Born 500 years before Christ, the great philosopher and teacher, Confucius, established the cultural foundation of China. His father had nine daughters and one crippled son. At age seventy, he mated with another woman, who was 15, hoping to get a healthy son. His father died when Confucius was three and his mother raised him in poverty.” (Mohan et. al, 2013)

He rose in the state government to the position of Justice Minister, but around age fifty, resigned and embarked on a twelve-year odyssey around China. When he returned home, he spent his last years teaching and writing. He died at seventy-two (Mohan et. al, 2013).

Confucius’ advice was given in oral form to his students, however, shortly after the great teacher had died his students began writing the messages he had given them, and these writings became the Analects, or the “Sayings of Confucius”

One of his deepest teachings and most difficult for Westerners to understand is the power of example instead of strict rules of behaviour. Here we see again the interplay between the right brain and left-brain: high context vs. low context style of communication. This indirect way of his teaching still permeates China culture. He made his points by indirectness, through casual reference, slight mention, and innuendo, even a slight nod (Kouzes & Posner, 2012).

"He championed strong family loyalty, respect for elders and ancestor worship.

Among the important ethical concepts are":

Short-term pleasure is bad, while trying to do the proper things at the right time is better.

His moral system based on kindness, empathy and understanding others, rather than divinely ordained rules. Virtue based upon harmony with other people. This was the root of face and "Guanxi" (literally means "relationships") (Kelley & Shenkar, 2013).

China is still predominantly a relationship-based society rather than a transaction-based one.

Based on socialist ideology, and reflecting the development of China's management system, the criterion for a manager has been loyalty to the party, not knowledge or skills as seen from a Western viewpoint.

Confucianism is:

- To love others
- To honour one's parents
- To honour elders
- To do what is right instead of what is advantageous
- To practice "reciprocity"
- To not do to others what you would not want done to you
- To rule by moral examples instead of by force and violence

The influence of these beliefs can be seen in every-day Chinese society. At work, there is a Confucian emphasis

- On interdependent relationships,

- On consensus, and
- On respect for hierarchy

Classical Management Theory

Classical management theory was introduced in the late 19th century. It became widespread in the first half of the 20th century, as organizations tried to address issues of industrial management, including specialization, efficiency, higher quality, cost reduction and management-worker relationships. Some of the management theories have evolved since then, classical management approaches are still used today by many organizations, like:

- Military organizations
- Manufacturing and service organizations
- Non-profit organizations

Strict Hierarchy

Current management organization and structure can find much of its roots from the classical management theory. One of its contributions that are prevalent today is the hierachal structure of an organization. Each management group has its own objectives and responsibilities. The top management is usually the board of directors or the chief executives who are responsible for the long-term goals of the organization. Middle management oversees the supervisors, setting department goals according to the approved budget. At the lowest level are the supervisors who oversee day-to-day

activities, address employee issues and provide employee training. The levels of leadership and responsibilities are clear and well defined (Graham et. al, 2012).

Modern Business Management

As you may know, different management styles are required in different parts of the world. It is important to choose the right management style for each situation, which is a key to success for an organization. All managers use a management process which consists of planning, organizing, leading and controlling. So they have to perform many roles in an enterprise. What they can do with various situations will totally depend on their style of management. A management style is an overall method of leadership used by a manager (Gomez-Mejia et. al, 2008). This essay will first demonstrate different types of management styles, and then discuss three key factors that can influence management style, with reference to Japan and America.

Each of the management style below has its unique features and if they will be well understood and used, they can give scope to maximum effect in the specific field. In daily management, there are usually four management styles. The first is autocratic management style (Gomez-Mejia et. al, 2008) which also called instructive management style. In instructive management style, managers give instructions to the subordinates or teams about what to do, how to do, when to do in every possible way without getting any opinion or suggestion. The management behavior module is: I come to decide what you would do. It might save time when making decisions, but it could lessen the motivation of the staff. Autocratic management style may be suitable in circumstances when a quick decision has to be made such as in an emergency or

crisis. The second style is modified custodial management style (Fare et. al, 2006) which encourages a manager to distribute some certain work tasks to his staff. Obviously, in this style involves more communication, encouragement, counselling and motivation. The management behavior module is: we discussed then I would make the decision. Modified custodial management style is most suitable for training staff to make some certain decisions. The third style is called supportive management style (Dasgupta et. al, 2012). This style might need the opinion from staff when make a decision or get things done. Directors tend to listen to the views of the subordinates and encourage them to participate actively. The management behavior module is: we discussed and we make the decision. It probably requires more time for a decision to be made but it is beneficial for the team belonging. The last one is authorized management style. When managers appear to fully believe their staff in the premise, they could set the task and give total freedom to the staff to finish the whole task by themselves. The management behavior module is: you decide what to do. It seems that in the management process managers suggest using more support behavior.

There are many factors which can influence management style. The first probably the most important factor is social culture. Management cannot be separated from culture (Fare et. al, 2006). In Japanese traditional values and social customs, the group is more crucial than its individual members, that is to say Japanese culture emphasizes the primacy of group interests over individual concerns. The individual who insists on working only for his own profits is defined as selfish. In addition, people who have super individual ability but not cooperative possibly are unacceptable as well. By contrast, American culture encourages competition and individualism (Graham et. al,

2012). In American's mind, everyone has the same right. Americans appear to have an open mind; they stimulate innovation and advocate strong sense of self-awareness. Thus, it is a personal performance stage for every American. Because of different social cultures, therefore management styles in America and Japan are quite diverse particularly on responsibility and decision-making (Mohanty & Das, 2014). Americans could feel strong sense of personal achievement when individual effort is rewarded and accepted by the assessment of individual contribution (Kelley & Shenkar, 2013). That is why individual responsibility is necessary in the American management style. The Japanese style takes a collective form of responsibility. Those manufactures produce high product quality at a relatively lower cost (Northouse, 2009). The reason is that this sense of collective responsibility has positively affected the quality standards. Product quality is cooperatively achieved by workers and managers. Japanese tend to believe the group is more important than the individual (Northouse, 2009). In terms of decision-making, they probably attempt to gain consensus even if it might require more time. As to Americans, who are almost self-centered, they apparently choose to make quick decisions on their own for immediate resolution (Peck & Reitzug, 2012).

The second factor is staff belonging. The general principle of Japanese management is that workers form a family (Kouzes & Posner, 2012). As a part of the corporate 'family', every member not only pays attention to their own salaries, but also considers the development of the company. Pay is only one reward. There is also a sense of belongingness and support that employees receive from their corporations. On the contrary, Americans tend to indicate that there is no need for them to become familiar with one organization and colleagues before they are off again on their trips

(Graham et. al, 2012). Perhaps individual freedom is more essential than staff belonging in their mind. This different attitude leads to diverse management styles. One consequence for Japanese is the practice of lifetime employment. The word “lifetime” does not mean to work up to the day they die. The phrase means that employees expect to work for a corporation from their first day of employment until retirement (Peck & Reitzug, 2012). The key point is that workers in Japan enjoy complete job security in most situations. Lifetime employment has two dimensions in Japan: an individual and a social component (Peck & Reitzug, 2012). The individual element tends to reflect that a worker cannot be fired even if he does not match early expectations. In social element, the company needs to explore the potential of the workers. More individualistic Americans feel their individual skills belong to them, they have the right to use their talents whenever and wherever they want and they do need short-term employment to gain occupational skills (Sidhu, 2012).

The last point is team awareness. In Japan, the team or group concept is deeply rooted in everyone's mind. A work team or a family should work together on a cooperative basis in order to succeed. If the group achieves its goals, then the members will profit and share this success. Nevertheless, Americans encourage competition among members of a group (Kouzes & Posner, 2012). To be successful in American business you have to do more than good work, you also have to show that you are competitively better than everyone else even in your team. Workers have to compete to receive rewards. Furthermore, the management style on specialized career path is unique in America and Japan (Northouse, 2012). American management style does focus on one specialist with little knowledge of the other functions of management, in

other words, they are more competitive in some specific area. While in Japan, with its policy of lifetime employment, there is no chance for managers to be specialized. One company gives them opportunity to have a broad experience on management.

Conclusion

In conclusion, it seems that different cultures might have their own fit management style. Under the influence of social culture, staff belonging and team awareness, America and Japan adopt diverse management styles. Japanese tend to be more cooperative, they carry out lifetime employment and promote non-specialized career path. With regard to America, they appear to be more competitive. Since they advocate freedom and self awareness, most Americans prefer short-term employment and specialized career path. It is hardly say which one is better, but both countries could change the negative aspects in their management style in order to better adapt to the market environment.

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