

Visions for the Future

Theoretical Perspectives on Management
SBPD7004

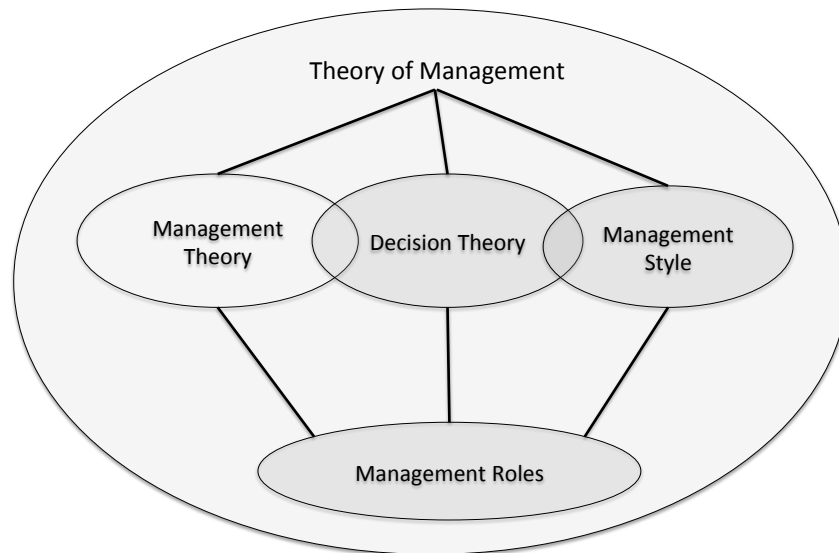
Intensive Sessions 1

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Overview

	Session topics	Questions
1	History and philosophical underpinnings. Scientific viewpoints. Comparison of theorists 1: Fayol and Taylor Case Study and workshop (Reading and Questionnaire)	What kind of 'science' is management science? What is 'theory of management' a theory of?
2	Comparison of theorists 2: Social systems theory versus contingency management (Maslow, Mintzberg / Mayo). Drucker and Deming (Management Style) Vickers and Beer (Ethnographic approaches)	What is the relationship of management style to organisational structure?
3	Decision support in operational and strategic management Technology and people management. Management in E-Commerce and E-Business	How do good managers deal with uncertainties? Should management of e-Businesses differ from traditional businesses?
4	Corporate Social responsibility and business ethics. Diversity issues in management (gender, ethnicity, cross cultural management)	Is there such a thing as "business ethics"? How has the workforce changed – in structure and in expectations?

Management Theory or Theory of Management?



Session 1: Summary

Philosophical and historical underpinnings of management theory

- Views of management science as a science – What makes a discipline a 'science'?
- Philosophies of science.
- The idea of a social science (Two worlds view / Intentionality / emic vs. etic / positionality).
- The idea of a science of management: from prehistory to modernity.
- Earliest theories (From Sumerian mercantilism, Chanakya (c. 350-283 BCE), classical Greece to Machiavelli, Clausewitz, Smith, Mill and Gramsci).
- History of systems thinking – From GST through cybernetics to Checkland.
- Alternatives to systems thinking – ethnographic theories.

The earliest 'management scientists'



- Mercantilists of Sumer (Mesopotamia, c. 3,500 – 2,000BCE) – chiefly regulation of trade and slavery.
- Chanakya (c. 350-283 BCE, aka. Vishnugupta) – advisor to Mauryan dynasty kings in India wrote "*Arthashastra*" – [from '*Artha* / (*Dharma* / *Karma* / *Moksha*) + *shastra* = 'science of'] volumes of Sanskrit verse advising the ruler on political, economic and social management (including military management).
- Classical Greece: Plato (424-348 BCE) – organisational structure of the state (philosophers / auxiliaries (managers) / workers) and the 'myth of metals' (division of labour); Aristotle (384-322 BCE) – 'scientific method', Aristotle conceived of politics (political economy) as being like an organism rather than like a machine – and as a collection of parts none of which can exist without the others. Management required a balance in favour of the "Golden Mean"

Early European traditions

- N. Machiavelli (1469-1527): advisor to Cesare Borgia and the Florence Republic – main work "*The Prince*": guidelines on state management, military management and leadership in organisations. [See: Antony Jay, 1987, *Management and Machiavelli*, London, Hutchinson Press]
- Carl von Clausewitz (1780-1830): Business is war -- "Rather than comparing [war] to art we could more accurately compare it to commerce, which is also a conflict of human interests and activities; and it is still closer to politics, which in turn may be considered as a kind of commerce on a larger scale." On War, Book I, Ch. 3, 1832 (posthumous); (also "War is an extension of politics by other means").
- Antonio Gramsci (1891-1937): Marxist political commentator (Italy) – imprisoned by Mussolini (1930s) – influenced by Machiavelli; created the political magazine "*Ordine Nuovo*" (the 'New Order') and wrote "*The Modern Prince*" – outlining the concepts of the "organic intellectual" (entrepreneurs, rather than academics) and principles of strategic thinking ('war of movement' versus 'war of position').

"Every social group, coming into existence on the original terrain of an essential function in the world of economic production, creates organically, together with itself, one or more strata of intellectuals which give it homogeneity and an awareness of its own function not only in the economic but also in the social and political fields" (Prison Notebooks, pub. 1951)

Influence of political economists on management theory

- Adam Smith – “*The Wealth of Nations*” (1776) introduces the concepts of ‘work organisation’ and the ‘division of labour’ [the pin industry in Redditch].
- J. S. Mill (1806–1873) provides a theoretical background to resource allocation, production and pricing issues (“*Principles of Political Economy*”, 1848).
- Industrial innovators like Eli Whitney (1765–1825), James Watt (1736–1819), and Matthew Boulton (1728–1809) developed elements of technical production such as standardization, quality-control procedures, cost-accounting, interchangeability of parts, and work-planning.
- But is management theory a ‘science’?

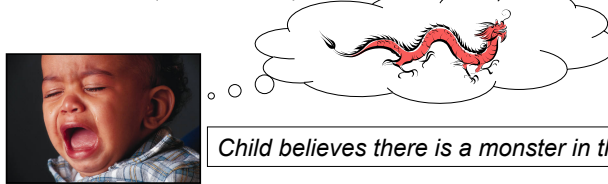
. . . but is management theory a ‘science’?

What makes any ‘theory’ scientific?

- The difference between ‘natural’ and ‘social’ sciences – the “Two Worlds” view (C.P. Snow).
- Aristotle (“*Posterior Analytics*”, 365 BCE) – explaining causes (formal, material, efficient, final) / taxonomy (definition ‘*per genus et differentiae*’).
- Hume (1711-1776) – the problem of induction (“Russell’s chicken”)
- Hempel / Popper (mid-20th century) – hypothetico-deductive methods versus falsifiability
- Kuhn / Feyerabend: “There is no ‘scientific method’”: scientific theories are neither confirmed nor falsified; they are displaced (Kuhn) by a ‘paradigm shift’ or they are overthrown (Feyerabend) by anarchy .

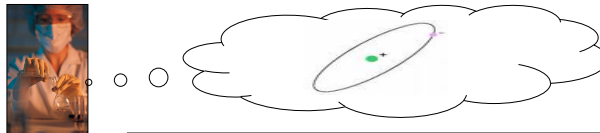
Is management science a 'science': the problem of intentionality?

- Management research requires that researchers investigate the beliefs, values, experiences, preconceptions, emotions, intentions, opinions, judgements and rationality of people, societies, cultures and sub-cultural groups (age groups, peer groups, . . .).
- Beliefs, value-judgements, emotions, intentions, opinions (suppositions) are inherently **"INTENTIONAL"** (technical term):



Child believes there is a monster in their room.

"Monster in my room" is the object of the child's belief -- but there is no monster (it is an 'intended object') -- but that does not stop the child believing it!



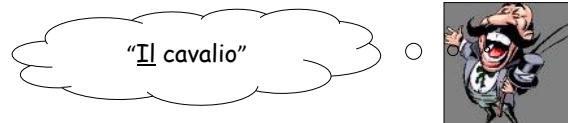
Chemist observes that a hydrogen atom has one electron

Is management science a 'science'? The problem of positionality

- Although management theory is systematic, the presence of the analyst / researcher inevitably has an effect on the subject under study.
- The analyst's own position and world view will always have an effect on the way the research is carried out and how the findings are interpreted.
- It is crucial to reflect on your own roles (as an analyst, as a professional, as a student, as a friend, and so on) and the influence those roles will have on the research you conduct.
- When you read about management research that somebody else has done, ask yourself how that person's roles and world views may have influenced the research that was conducted and its interpretation.

Insider / Outsider ("Emic / Etic") -- why is this important?

- o The "**Emic / Etic**" distinction (Kenneth Pike, 1912 - 2000) originates in linguistics -- derived from the difference between "Phon-emics" and "Phon-etics".
- o Roughly paraphrased, the "**Emic / Etic**" distinction reflects the difference between a management researcher who is "inside" the population being studied ('Insider') and one who is "outside" the studied population ('Outsider').
- o We can illustrate the difference by referring back to linguistics -- describing language sounds in two ways:



Consider the sound made when an Italian person says "il" (sounds like "eel"). To the Italian, the sound means "the" -- preceding a masculine noun: "il cavallo" ('the horse'). This is a "phon-eme" -- a phon-etic unit of the Italian language, meaningful to Italian speakers.

The sound "il" to the linguist is just a sound (which may be in any language) formed by a bi-labial plosive vowel ("ee"), combined with a labio-dental consonant ("le"). It has no meaning except in the context of a specific language (e.g. in English it might be the first syllable of the word "il-literate"). As a meaningless sound -- it has a phon-etic description, but no "insider" meaning.

There may be several connotations associated (for Italian speakers) with the phoneme "il" (e.g. masculinity) but these may not be conscious nor easy to decipher from the use of the phoneme. No such connotations attach to the "etic" syllable "il" -- since this is not specific to a culture or type.

Summary: Session 1

- The historical and philosophical background to management theory – addressing the question: "Is management theory a 'science'?" has been reviewed.
- The session has examined the philosophical roots of management theory – focussing upon the separation between 'natural' and 'social' sciences – in relation to the problems of 'positionality' and 'intentionality' for management research.