

Management Theory -- Evolution Not Revolution

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**Published in proceedings of the 11th Annual Association of Management conference,
August 1993**

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Abstract

Several new management theories are now in vogue such as Deming's 14 points (Deming, 1986), or Peter's search for excellence (Wren, 1987). Furthermore, there appears to be an overwhelming need for authors to be the first on the block with the latest management fad. But is all this revolutionary new thinking? There is ample evidence to suggest that the pursuit of knowledge in the discipline of management theory has been a consuming passion for many highly educated individuals for thousands of years. The evidence suggests that the development of management theory has evolved as a result of dogged determination by many gifted and insightful individuals.

Whether it was the Code of Hammurabi (2123-2981 BC.) which dictated the laws governing commerce (Wren, 1987) or a military campaign conducted by Sun Tzu (Clavell, 1983) five hundred years before the birth of Christ, history has repeatedly shown that the best organized and best led organizations prevail. The obligation of the manager or leader to his followers has been understood for several thousand years, and is clearly stated by Sun Tzu:

If words of command are not clear and distinct, if orders are not thoroughly understood, then the general is to blame (Clavell, 1983).

Today, the average manager is bombarded with 'new' management theories promising instant success. Many experts present themselves as the purveyors of new knowledge and are handsomely rewarded for their *contribution*. But does any of this make sense? Management history has shown that more often than not ills the relentless pursuit of knowledge, sometimes spanning hundreds or even thousands of years, that reaps the most fruitful rewards.

Conventional wisdom suggests that these new techniques are a direct result of modern man's ability and apparent success in quantifying and explaining fundamental truths. Little if any credit has been given to our forefathers who laid the groundwork for our success. This malaise is not restricted to today's environment, but is amply demonstrated in the behavior of such luminaries as Frederick Taylor, who apparently plagiarized the work of many earlier authors.

Most all advancements in the management of the enterprise are evolutionary in nature. Except for a few individuals who may or may not be responsible for significant advancement in human knowledge, all advancement in the knowledge base is derivative. Simply put, this discipline we call management has evolved over several thousand years. The words of hundreds of academics and practitioners both past and present support the fact that modern management techniques are built on the experiences of the past.

The development of management theory is the culmination and the on-going integration of the sum total of the human experience. No one person is the father of management. Rather, management knowledge is the synergistic total of the human experience from the beginning of time. For managers cast in the leadership role, management is a cruel taskmaster demanding excellence from all. It is the manifestation of the best of the best and the worst of the worst, but what ever management science is, it was not created in a vacuum. The art of management is the evolution of the best that human thought could provide.

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Introduction

It is popular these days for management consultants to expound new theories of management that will solve various pressing business problems. For example companies use the 14 points (Deming, 1986) to win the Malcolm Baldrige National Quality Award (Bowles, 1992), or adopt Theory Z (Wren, 1987) to combine the best of both American and Japanese management styles. We ardently and blindly believe that in the last 30 years or so we have advanced the art of management far beyond the wildest dreams of previous generations. Indeed, in all human endeavors whether it be space travel, information technology or management techniques, the last several decades have seen an explosion in the advancement knowledge and by all accounts the trend is likely to continue. However, is this revolution in thought as simple and clear as it seems?

As a general rule, we look to a few patriarchs such as Drucker, Taylor, and more recently Deming as individuals to discover new management theories and techniques. The Los Angeles Times has called Peter Drucker the founding father of the science of management (Drucker, 1967), and likewise, Frederick W. Taylor is viewed as the father of scientific management (Wrege & Greenwood, 1991). Our views of these individuals and their activities are accurately defined by the following definition of the word father (Webster's, 1981):

- n. One that originates or institutes: Source vb. 1. To make oneself the founder, producer, or author of 2. To fix the paternity or origin of.

However, in a critical review of the history of management developments, we must question whether either of these men fathered modern management theory. Furthermore, did any one individual or group of individuals develop or discover unique or special insight into the management of a human enterprise.

With few exceptions, the history of mankind has been one of evolution. This statement does not suggest that the contributions of some individuals are not revolutionary, but only suggests that most human endeavors develop more slowly. For example, most people believe the computer is an invention of the last half of this century. Few are aware that first computer was the mechanical 'difference engine' built by Charles Babbage in 1822. (Wren, 1987). His subsequent concept of the 'analytical engine' contained all the elements of today's modern computer system including software. The machine was programmed using punch cards developed by Joseph-Marie Jacquard in 1801 to operate textile looms. The concepts for today's electronic computer systems were thus developed by several individuals almost 200 years ago.

Additionally, the development of today's computer underwent a metamorphous from the 'difference engine' to today's desktop personal computer. Certainly, the brilliance and insight of Charles Babbage and others throughout the years was critical to the development of this technology, but non-the-less, it required over 200 years, and the right mix of electronic technology, software technology, and manufacturing technology to arrive at today's modern product.

Early History

From the beginning of time, human enterprises have required the services of professional managers. Whether it was the Code of Hammurabi (2123-2981 BC.) which dictated the laws governing commerce (Wren, 1987) or a military campaign conducted by Sun Thu (Clavell, 1983) five hundred years before the birth of Christ, history has repeatedly shown that the best organized

and best led organizations prevail. The obligation of the manager or leader to his followers has been understood for several thousand years, and is clearly stated by Sun Tzu:

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The Egyptians postulated that the optimum ratio of supervisors to servants was 10:1 (Wren, 1987). Subsequent investigation by V.A. Graicunas in the 1940's determined that 4 or possibly 5 employees per supervisor was the preferred ratio, although his findings did not preclude a larger ratio in less complex and repetitive task (Wren, 1987) such as the building of pyramids.

Furthermore, Cyrus applied the basics of motion study, layout, and materials handling in 400 B.C. and the Romans used job descriptions and job specifications. During the Renaissance, accounting techniques such as cost accounting and work in progress as well as assembly line techniques were prevalent (Lee, 1980). Throughout the recorded history and from all cultures there is ample evidence which suggests that both military and civilian organizations not only practiced sophisticated management techniques, but also knew and understood many of our so called modern management practices.

Scientific Management

As the Father of Scientific Management (Wrege & Greenwood, 1991), Frederick W. Taylor is one of the most controversial figures in the history of management theory. Taylor believed in the value of the worker, and placed at least an equal amount or more of the burden of success or failure of the enterprise on management. Taylor also believed a worker was best suited for a particular job. The concept of the first class man was born not out of the belief that one person was better than another, but rather that one person was better suited for a task than another (Wrege & Greenwood 1991).

Drucker has stated (1976) that Taylor was the first to undertake a serious study of work; however, others have taken a more critical view of Taylor's publications. There is strong evidence, for example, that Taylor's study of the art of shoveling was preceded by at least 100 years by Charles Augustus Coulomb, and Coulomb's work draws on the earlier writings of De la Hire in 1699 (Hoagland, 1955). Critics of Taylor are quick to point out that this is de facto evidence that Taylor was not the originator of much of the work upon which his scientific management principles were based.

Also under the cloud of questionable originality is Taylor's concept of the functional foreman; a major break with tradition (Nrege & Greenwood, 1991). Prior to this concept, a single supervisor managed the entire spectrum of activities in the shop or office. Under the functional foreman approach, the shop work was divided into four functions, office work was divided into four functions, and planning was not only placed in a separate planning department, but also divided into four functions. Today, we would call such an organization a 'matrix organization' (Drucker, 1976).

Taylor was seemingly quick to capitalize or plagiarize on the work of others (Wrege & Stotka, 1978). The propensity which Taylor had to market his own position has led to continuing scrutiny of his work. Moreover, his less than objective approach may have led to him being less kindly remembered than if he had been more forthcoming in the derivative nature of his work.

W. Edwards Deming

W. Edwards Deming has recently emerged as a leading figure in management consulting circles, and is credited with rebuilding and modernizing Japan's industry after World War II, (Wren, 1987). His basic philosophy is embodied in the following 14 points which are the basis of his ideas for the transformation of American Industry (Deming, 1986):

1. Create constancy of purpose toward improvement of product and service, with the aim to become competitive and to stay in business, and to provide jobs.
2. Adopt the new philosophy. We are in a new economic age. Western management must awaken to the challenge, must learn their responsibilities, and take on leadership for change.
3. Cease dependence on inspection to achieve quality. Eliminate the need for inspection on a mass basis by building quality into the product in the first place.
4. End the practice of awarding business on the basis of price tag. Instead, minimize total cost. Move toward a single supplier for any one item, on a long-term relationship of loyalty and trust.
5. Improve constantly and forever the system of production and service, to improve quality and productivity, and thus constantly decrease costs.
6. Institute training on the job.
7. Institute leadership. The aim of supervision should be to help people and machines and gadgets to do a better job. Supervision of management is in need of overhaul, as well as supervision of production workers.
8. Drive out fear, so that everyone may work effectively for the company. Break down barriers between departments. People in research, design, sales, and production must work as a team, to foresee problems of production and in use that may be encountered with the product or service.
9. Eliminate slogans, exhortations, and targets for the work force asking for zero defects and new levels of productivity. Such exhortations only create adversarial relationships, as the bulk of the causes of low quality and low productivity belong to the system and thus lie beyond the power of the work force.
10. Eliminate work standards (quotas) on the factory floor. Substitute leadership.
11. Remove bafflers that rob people in management and engineering of their right to
12. Pride of workmanship. This means, *inter alia*, abolishment of the annual or merit
13. Rating and of management by objectives.
14. Institute a vigorous program of education and self-improvement.
15. Put everybody in the company to work to accomplish the transformation. The transformation is everybody's job.

As a scholar, Deming would almost certainly be influenced by the 14 principles Henri Fayol (1841-1925) derived from his personal managerial experiences (Wren, 1987). Fayol identifies the concepts of unity of command and direction, as well as respect for the individual and loyalty both to the employee and the firm as critical to the success of an organization. His emphasis on the value of the individual employee stressed an environment where the employee could communicate across managerial lines through his "gang plank" theory of consensus management (whereby supervisors allow communication across hierarchical reporting lines as long as they are kept informed). Is this perhaps the forerunner of many modern techniques which are so highly promoted by today?

An admirer of Walter A. Shewhart of Bell Labs, Deming began the Quality Control Circle movement in Japan (Wren, 1987). However, this was not the first time American management techniques had been exported to Japan. Frederick Taylor's Principles of Scientific Management were translated into Japanese by Yukinori Hoshino circa. 1912 (Wren, 1987) and were widely accepted. Yoichi Ueno translated all Taylor's work into Japanese, and authored a paper "On the Efficiency" describing the work of Taylor, Frank Gilbreth, and C.B. Thompson (Wren, 1987).

More recently, 'Japanese-Style Management' has been touted as a new phenomenon, but in reality, it began with the practice of scientific management during the late Meiji period, during which scientific management provided the basis for the modernization of Japanese industry (Wren, 1987). Much of the credit which Deming takes for modernizing Japanese industry, can thus be traced, in part, to the import of scientific management at the beginning of the century.

This is not to say that Deming is not making substantial contributions to the practice of management. It appears likely, however, that as a scholar educated in management theory and well experienced in current Japanese management styles, his works are derivative of those that preceded him. For example, Mary Parker Follett believed that authority should be replaced by the 'law of the situation', meaning that leadership should come from the person most able to get the job done (Lee, 1980). Isn't this consistent with Deming's points 2, 7, and 8 above? The current phase would be 'empowerment' or enabling personnel to identify the task at hand, and get the job done.

Summary

Today, the average manager is bombarded with 'new' management theories promising instant success. Many experts present themselves as the purveyors of new knowledge and are handsomely rewarded for their *contribution*. But does any of this make sense? Management history has shown that more often than not it is the relentless pursuit of knowledge, sometimes spanning hundreds or even thousands of years that reaps the most fruitful rewards.

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Conclusion

The development of management theory is the culmination and the on-going integration of the sum total of the human experience. No one person is the father of management. Rather, management knowledge is the synergistic total of the human experience from the beginning of time. For managers cast in the leadership role, management is a cruel taskmaster demanding excellence from all. It is the manifestation of the best of the best and the worst of the worst, but what ever management science is, it was not created in a vacuum. The art of management is the evolution of the best that human thought could provide.

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Originally published in August, 1993, as, *Management Theory - Evolution Not Revolution*,
Proceedings of the 11th Annual Conference of the Association of Management, 11 (2), pp. 74
- 78.