

Management : Its Evolution and Future Challenges

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Management Evolution

The etymological derivation of the word management is from the Latin manus (hand) which was the training of horses in the manage. Later, it came to embrace the skilful handling of things such as musical instruments and arms. Unlike the laws of the natural sciences and mathematics, there are no principles of management. An alternative word is needed – guidelines? – which makes for success in management.

As regards the development of management, it can be traced as far back as the building of the Pyramids when basic principles in respect of responsibility and authority were identified. Whilst Moses developed principles of organisation, the Babylonian Code of Hammurabi set out principles of control and responsibility. Plato in 'The Republic', argued the reason for specialisation. Socrates wrote of the universal nature of management. The first book on time management was written in Roman times.

In China in the sixth century BC, Sun Tzu wrote in 'The Art of War' about marketing warfare, dividing it into strategy, the overall art of war and tactics, the means by which strategy is carried out. Then around 500 BC Menius wrote about the principles of strategy.

Words such as 'manage' and 'management' first appeared in the English language about the sixteenth century. In Shakespeare's 'Love's Labour Lost, written around 1581 in Act 1, Scene 1 Don Adriano de Armado exclaims:

"Adieu, valour! Rust rapier. Be still, drum! For your manager is in love; yea he loveth"

Others made contributions to management thinking, for example Machiavelli in 'The Prince' and Adam Smith, the father of economics, in his

book 'The Wealth of Nations'. But it was not until the beginning of the twentieth century when Frederick Winslow Taylor wrote 'The Principles of Scientific Management' that the term became widely used. The other important contemporary contributor to modern management was Henry Ford.

The objective of their concepts of management was twofold, namely:

- Firstly, get unskilled workers to perform repetitive activities competently, diligently and efficiently. This led to the development of such things as time and motion study.
- Secondly, enable goods and services to be produced in large quantities, in particular by the use of assembly lines. To achieve this, bureaucratic, hierarchical systems were set up with precise goals and roles supported by elaborate rules and procedures.

The Re-invention of Management

In the twenty first century, it is necessary to re-invent and develop new concepts of management – witness developments in the European Union. There are changes in thinking and practice in respect of charismatic leadership and the cult of 'the Great Man or Woman'. There is growing recognition that no one is indispensable. Devolution and a contingency approach to leadership are more appropriate strategies.

Business structures are changing and the Great Leader is being replaced by flattened organisation structures, collaboration and effective team working. In turn, the command and control management systems, along with functional silos and political empires, are replaced by smaller units and fluid, project based structures.

Simultaneously, workers have greater access to information. So, today's management requires not only a reduction in the number of layers of management, but also authority for decision making given at lower levels of the structure. Added impetus for change is also generated by the

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improved education of staff. Cultural change is evidenced by a less deferential workforce, with much higher expectations who need to be managed in new ways.

Talent management is critical, not only employing talented persons but also ensuring that they can be effective in their roles. If their potential is unrecognised or they are working in roles not suited to their abilities, their talent is wasted. The first step in talent management is to identify the organisation's goals and the strategies for achieving them. Then it is possible to identify where and when particular talents and skills are required and the staff development and support which will enable the right people to implement the strategies.

Managers cannot run an organisation in the twenty-first century with an organisation model designed for the twentieth century, for example, with hierarchical decision-making protocols and a reliance on strategic direction from senior management. Front line managers, like military captains, are free to 'make tactical decisions' close to the front line, within the strategy identified by senior management. In short, talent must not be constrained, but unleashed by team working and encouraging ownership and responsibility.

Future Challenges

A growing number of managers have MBAs. Traditionally MBAs have been heavily left brained focussed, dealing with strategy, analysis, logic, numbers, linear and so on. But a shift towards right brain softer skills is required in today's knowledge based economy. Where this occurs creativity, imagination, collaboration and non competitive co-operation is more evident. What is needed is an MBA geared to develop the whole brain, namely

Logic + Creativity

Analysis + Imagination

Facts + Passion

However, In a world in which only change is certain, workers must be supported with relevant training for Continuing Professional Development (CPD). So CPD is essential for growth and development of a professional's career.

The definition most widely used in the UK for CPDE is that of the Construction Industry Council (CIC), namely.

"The systematic maintenance, improvement and broadening of knowledge and skills and the development of personal qualities necessary for the retention of profession and technical duties throughout the individual's working life"

Within this definition, CPD has multiple purposes:

- CPD is concerned with the maintenance of knowledge and skills. This can be identified as maintaining one's competence and or competencies; about keeping up-to-date
- CPD relates to the improvement and broadening of knowledge and skills - to support future professional development
- CPD is also intended to develop the personal qualities necessary to executive professional and technical duties; those personal qualities needed to achieve the first two purposes.

The case for CPD may be summed up as follows. Today, most degrees and professional qualifications have a half life of five years and with technical subjects such as science or information technology it is shorter. What is happening with academic qualifications is also mirrored in occupational qualifications. In short, there is a race between mental obsolescence and retirement, and if life long learning does not take place, the race is lost.

A second challenge is that in most countries and notably in the West, the number of older workers is exploding. Not only are people living longer, they are also healthier. This has major tax implications in respect of the sums required to pay pensions and provide care for the elderly because of the longer life spans. One outcome is governments in some countries, such as France and the UK are raising the age of retirement. Many employees may wish to work longer but not on a full-time basis, for them the reward or work may be as much emotional as financial. Managing a multigenerational workforce with younger managers supervising older workers, will produce new challenges and will require corporate cultural changes. One possible consequence could be age discrimination or 'age typing'.

To manage the age inversion, that is comparatively younger staff managing older staff, new approaches will be required.

Meanwhile, there is a greater challenge for managers, that of managing the environment. Until the time of the industrial revolution solar radiation was the main source of energy. Since then, some 250 years, 90 per cent or more of our energy now comes from burning fossil fuels which generate enormous amounts of waste. So leaders are needed who will create a regenerative society. When doing this in the short term, in many cases, profits will fall. So the challenge is, if business systems must continually adapt to be in harmony with a changing

environment, how can this be reconciled with the investment fund managers who see corporations as machines for making money?

In conclusion, like the British monarchy which has lasted over 1,000 years because successive monarchs adapted to the changing society, the only monarch who refused to change was beheaded for his inability to respond to changing circumstances and needs. Perhaps this could provide a lesson for today's managers.