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**Faculty of Economics, Business and Management Sciences**  
**Department of Economics**



**Module:** Introduction to Business Management

**Level:** Second year LMD

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**Academic year:** 2024/2025

**Lecture 03 : Evolution of Management thought**  
**(Classical Perspective)**

**Objectives :**

- 1- Understand the key features and concepts of classical management theory.
- 2- Learn the principles behind the bureaucratic, scientific, and administrative management approaches.
- 3- Identify how classical theories have shaped modern management practices and their relevance today.

**Structure :**

- 1- Introduction
- 2- Features of Management in the Classical Period
- 3- Bureaucratic Model (Max-Weber)
- 4- Scientific Management (F.W. Taylor)
- 5- Administrative Management (Henri Fayol)
- 6- Conclusion
- 7- Glossary

## 1- Introduction :

Application of management knowledge is old as human civilisation (can be traced to 3000 b.c., to the first government organizations developed by the Sumerians and Egyptians) but development of management thought and theory is relatively of recent origin.

The classical perspective on management emerged during the nineteenth and early twentieth centuries.

This perspective contains three subfields, each with a slightly different emphasis: scientific management, bureaucratic organizations, and administrative principles

## 2- Features of Management in the Classical Period :

- a) It was closely associated with the industrial revolution and the rise of large-scale enterprise which demanded the development of new forms of organisation and management practices.
- b) Traditional or classical organisation and management theory is based upon contributions from a number of sources, including scientific management, administrative management theory, the bureaucratic model, micro economics and public administration.
- c) Management thought is focussed on (a) job content, (b) structure, (c) division of labour, (d) tasks of management (e) standardisation, simplification and specialisation. (f) scientific approach towards organisation and management, (g) primary incentives based on the economic and physiological needs of the workers.

Traditional theory was based on three pillars: (1) bureaucratic model. (2) scientific management and (3) administrative or process management theory.

We will describe, in brief, these three pillars.

## 3- Bureaucratic Model (Max-Weber) : (1864-1920)

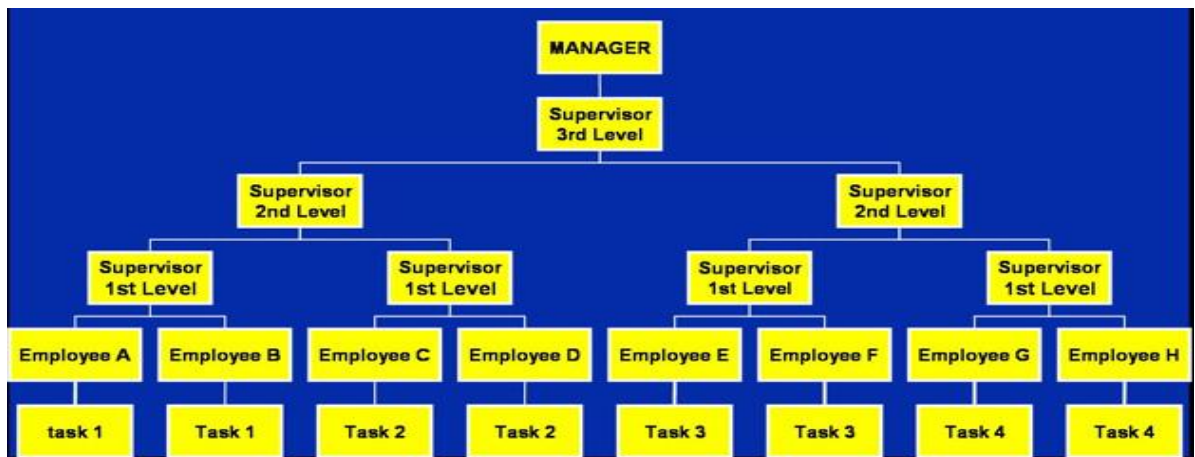


One of the important pillars of classical approach is bureaucratic model of organisation. This model has been developed by Max Weber a German Social Scientist.

The work of Max Weber (1864-1920) developed the concept of the permanence and continuity of organisations. This was the basis of the theory of bureaucracy.

Weber saw bureaucracy as an organisational form based on an **hierarchy of offices** and **systems of rules** and with the purpose of **ensuring the permanence of the organisation**, even though job holders within it might come and go.

**The Bureaucracy defined as :** “an organisational structure that is characterised by many rules, standardised processes, procedures and requirements, number of desks, meticulous division of labour and responsibility, clear hierarchies and professional, almost impersonal interactions between employees”



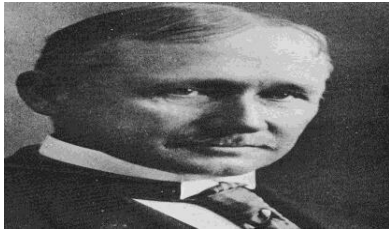
*Figure01 : the Bureaucratic Structure*

### **3-1- Elements of Bureaucracy :**

These elements are :

- a) Hierarchy of authority involving superior—subordinate relationship and chain of command
- b) Clear-cut division of work, based upon competence and functional specialization. An ordered hierarchy takes the advantage of specialisation;
- c) A system of rules, regulations and procedures. A bureaucrat seeks rationality routine, objectivity and consistency for his organisation. Behaviour is subject to systematic discipline and control;
- d) A rule by law leads to impersonality of interpersonal or mutual relations. Interpersonal relations are based on positions and not on personalities. We have mechanical and impersonal behaviour;
- e) A system of work procedures involving standardisation of methods;
- f) Selection and promotion of employees based upon managerial and/or technical competence; and
- g) Authority and power rest in the office. Bureaucracy recognises only legal power and authority given to each office or position in the organisation. The power does not belong to an individual. It is a part of the office.

#### 4- Scientific Management (F.W. Taylor) : (1856-1917)



Scientific management revolutionised the entire shop or plant management.

The basic theme of Taylor was that managers should study work scientifically in order to identify “one best way” to get the job done.

Taylor has defined scientific management as follows: **“Scientific management is concerned with knowing exactly what you want men to do and then see in that they do it in the best and cheapest way.”**

The essence of positive view of scientific management was described by Taylor as follows:

- a) All jobs can be observed and analyzed in order to determine the one best way of accomplishing them. Management must use scientific, rather than the rule of thumb approach.
- b) The best man for the job can be scientifically selected and trained.
- c) You can insure that the one best way is followed by paying the man on incentive basis tying his wage or salary to how much he produces.
- d) Put a manager in charge of analyzing, planning, preparing and inspecting work. The worker simply carries out the directions and instructions issued by the manager.
- e) Harmonious organization can be obtained by assigning the appropriate man to each set of operations. This will prevent any discord.
- f) Management has to choose the best means of economical production. Specialization of workers is essential to increase efficiency of production.
- g) Co-operation between labour and management can be achieved. This will ensure maximum output, in place of restricted output by workers.
- h) A striving for enterprise and the development of each man to his greatest efficiency and prosperity must be accomplished.
- i) Workers must be inspired or trained to use the scientific methods developed through time and motion study.
- j) Management must organize in such a way that it can properly manage and carry out its duties.

## 5- Administrative Management (Henri Fayol) : (1841-1925)



French mining engineer and director of mines. Developed a general theory of administration and management.

Referred to as the father of modern management theory. His work is important because he was the first to attempt a fully comprehensive definition of industrial management. It was published in 1916 under the title *General and Industrial Administration*. It identified the components of any industrial undertaking under the headings of technical; commercial; financial; security; accounting; and **managerial**. **This last group** of components comprised forecasting, planning, organisation, command, coordination and control of the others; the overall function is to unify and direct the organisation and its resources in productive activities.

He also listed 14 'principles of management' on which he claimed to have based his own managerial practice and style and which he cited as the foundation of his own success:

1. Division of work, the ordering and specialisation of tasks and jobs necessary for greater efficiency and ease of control
2. Authority and responsibility, the right to give commands and the acceptance of the consequences of giving those commands
3. Unity of command, each employee has an identified and recognised superior or commander
4. Unity of direction, one commander for each activity or objective.
5. The subordination of individual interests to the organisational interest
6. Remuneration and reward in a fair and equitable manner to all
7. Centralisation and centrality of control
8. A discernible top-to-bottom line of authority
9. Order as a principle of organisation, the arrangement and coordination of activities
10. Equity, that is the principle of dealing fairly with everybody who works for the organisation
11. Equity in dealings with the employees, ensuring that everybody receives the same standard of treatment at the organisation
12. Stability of job tenure, by which all employees should be given continuity of employment in the interests of building up expertise
13. Encouragement of initiative on the part of everyone who works in the organisation
14. Esprit de corps, the generation of organisation, team and group identity, willingness and motivation to work

## **Conclusion**

In conclusion, the classical period of management focused on structuring organizations and processes to maximize efficiency and productivity, influenced by the rise of large-scale enterprises during the industrial revolution.

This period emphasized division of labor, clear hierarchies, standardized procedures, and specialization.

Max Weber's bureaucratic model provided a framework for stability and control through rules and hierarchy, while Taylor's scientific management sought to optimize work scientifically, and Fayol's administrative management offered principles for effective management and coordination.

These approaches laid the foundation for modern management practices, shaping how organizations function today.

## SUMMARY

1. **Classical Period of Management:**
  - **Historical Context:** Emerged during the industrial revolution when large-scale enterprises needed new organizational and management practices.
  - **Focus Areas:** Concentrated on optimizing work processes through job specialization, a clear organizational structure, and well-defined management roles. The key areas included task management, division of labor, and efficiency through standardization and specialization.
2. **Three Pillars of Classical Management:**
  - **Bureaucratic Model (Max Weber):**
    - Introduced by Max Weber, this model emphasized **hierarchical structures** within organizations.
    - Key elements include a **clear chain of command**, rigid rules, and standardized procedures to ensure efficiency and consistency.
    - Weber's model promoted **impersonal interactions** based on positions rather than personal relationships, focusing on legal authority and systematic discipline.
  - **Scientific Management (F.W. Taylor):**
    - Taylor's approach revolutionized workplace efficiency by promoting the use of **scientific methods** to determine the "one best way" to perform tasks.
    - Focused on selecting and training workers scientifically, offering **incentive-based pay** linked to productivity.
    - Emphasized task specialization and collaboration between workers and management to **maximize output** and ensure harmony.
  - **Administrative Management (Henri Fayol):**
    - Fayol is known as the **father of modern management theory** for his comprehensive study of management.
    - He identified five key management functions: **planning, organizing, commanding, coordinating, and controlling**.
    - Fayol also developed **14 principles of management**, including division of work, authority and responsibility, unity of command, fair treatment (equity), and team spirit (esprit de corps).

These foundational approaches to management laid the groundwork for modern management theories, stressing the importance of clear organizational structures, efficiency, and a scientific approach to management.

## GLOSSARY

English	Arabic
industrial revolution	الثورة الصناعية
Classical school	المدرسة الكلاسيكية
Scientific Management	الإدارة العلمية
Bureaucratic model	النموذج البيروقراطي
Public administration	الإدارة العامة
Micro economics	الاقتصاد الجزئي
Job content	محتوى الوظيفة
Division of labour	تقسيم العمل
Tasks of management	مهام التسيير
Standarisation	المعيارية (توحيد المعايير)
simplification and specialisation	التبسيط والتخصص
physiological needs	الاحتياجات الفيزيولوجية
Permanence & continuity	الديمومة والاستمرارية
Hierarchy of offices	هرمية المناصب
Systems of rules	أنظمة القواعد
Desks	المكاتب
Responsibility	المسؤولية
Impersonal interactions	التفاعلات اللاشخصية
Authority	السلطة
Superior	الرئيس
Subordinate	المرووس
Command	الأمر
Objectivity & consistency	الموضوعية والاتساق (التناسق)
Behaviour	السلوك
Discipline	الانضباط
Selection	الانتقاء (الاختيار)
Promotion	الترقية
Power – legal power	السلطة – السلطة الشرعية
Incentive	الحافز
Wage	الأجر



Salary	الراتب
Directions	التوجيهات
Instructions	التعليمات
Co-operation	التعاون
Forecasting	التنبؤ
Coordination	التنسيق
Subordination	الخصوع (التبعية)
Remuneration & reward	التعويض و المكافأة
Fair	العدل
Centralisation & centrality	المركزية والتركيز
Discernible top-to-bottom line	خط واضح من الأعلى إلى الأسفل
Equity	الإنصاف
Job tenure	مدة الخدمة الوظيفية
Initiative	المبادرة
Willingness & motivation	الاستعداد (الرغبة) والدافعية