Classical Management and Behavioral Management

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Management basically concerned with getting people to work together to achieve the set goals and objectives of an organization. The history of management and the development of management theories dates back to the age of industrialization in the nineteenth century and the growth of large corporate organizations, which necessitated a new approach to managing people and achieving the goals and objectives of an organization. However, some forms of management have existed before from the moment human beings started to direct one another which led to the development of management thoughts. The Industrial Revolution led to a shift from agriculture and the growth of industries which meant that people were now working in a centralized system where they specialized in specific tasks and departments within an organization: this led to coordinating and integrating workflow within an organization (Nienaber, Hester and Gerrie Roodt, p. 3)

Early management theories attempted to welcome managers into industrial life during the nineteenth century across Europe and the United States. Some of the early management theories include scientific management, classical organization theory, and behavioral management. These early management theories were developed with little precedent because industry life was very new (Morgen, p.13).

Classical Management Theory

Classical management was developed around the 19^{th} and 20^{th} centuries during the advent of the Industrial Revolution, which came with the challenges of managing people and production. Some of the notable challenges that management experienced during industrial life include problems with organizing raw materials, selection of employees, recruitment, training, and scheduling the manufacturing operations (Kitana, p.7).

Classical management theory is also known as scientific management theory which centers on the productivity of workers during the nineteenth century. Classical management theory was developed by Frederick Taylor. This school of management thought advocated for the scientific study of tasks and workers doing the assigned tasks. According to Frederick Taylor's scientific management theory, he developed four basic principles, which include the scientific education and development of workers, a friendly collaboration between the managers and workers, scientific selection of workers based on their skills to ensure that they are assigned tasks which they can handle with the skills they possess and developing a true science of management where the tasks are done using the best methods (Ehiobuche, p.7).

According to Taylor, management and labor were the common factors for increasing productivity among workers. He advocated for workers to be given the necessary tools in order to maximize efficiency and output. However, this management theory is centered on the notion that employees only have physical and economic needs, and it ignores the welfare of a worker, such as social needs and job satisfaction. Classical management keenly looks at the specialization of labor, maximization of profit, and centralization of leadership and decision-making. Classical management was solely designed to streamline operations during the industry life and increase productivity.

Classical management theory also outlines the ideal workplace to ensure profit maximization and increased productivity. The workplace under the classical management theory is divided into three hierarchical structures which include the top management, middle management, and lowest level management. The top management comprises the shareholders, the board of directors, and executives. The top management is responsible for setting the objectives of the firm. The middle management is mandated with the duty of oversight of the supervisors. They also set departmental goals within the budget set by the managers of that particular budget. The lowest level of management is supervisors, who are charged with looking into the day-to-day activities of the organization, training employees, and addressing issues arising from employees' complaints.

In classical management work is specialized in assembly line view. Complex tasks are divided into simple tasks for easy accomplishment. Workers are trained in their area of specialization, and they clearly understand their roles. Specialization in the workplace leads to increased productivity and efficiency. Also, with specialization, the employees do not need to do multiple tasks. Classical management theory believes that employees need to be motivated by incentives such as financial rewards. Financial rewards are meant to motivate employees to work harder and increase their productivity. The use of financial rewards by employers is likely to increase productivity in terms of increased production, efficiency, and profits (Ferdous, p.3).

Leaders who use the classical management system are autocratic in that any decision concerning the organization is decentralized, and the final decision made by the top-level management is final and communicated downwards for all the staff to follow. Usually this style of leadership is important in situations where a quicker decision is to be made by one leader to avoid time wasting in so much deliberation. The management structure in classical management is clearly defined in terms of functions and operations. The specialization and division of labor advocated for the classical management theory make the accomplishment of tasks easier and more efficient. Employee's roles and tasks are clearly defined to ensure that there is little supervision. However, classical management theory is rarely applied in most of the organizations of today.

Some of the vivid example of the application of the classical management theory in a real organization was seen in the Ford Motor Car Company by Henry Ford. Henry Ford accomplished the objectives of the classical management theory, which included rewarding workers and increasing productivity by lowering the price of the T model cars to beat its competitors in the market. Henry Ford increased the wages of his workers above what the market was offering to motivate them and gain market share.

Nucor Steel is another organization applying classical management. This company is the largest steel producer in the United States of America, and it competes with other global companies, especially the ones from China. Nucor has a leadership style of management that tries to achieve an optimal balance among its employees, consumers, and shareholders. The company has a bonus incentive for its workers and has some specific benefits for its workers, which even the senior executives within the company do not qualify for.

Despite the increase in productivity associated with classical management, it has some flaws, which make it less attractive in the workplace. Classical management overlooks the importance of the relationship between humans and creativity since it is geared toward predicting and controlling human behavior. Workers are overworked in a classical management system and their welfare, such as job satisfaction, their input, and morale in the workplace, is not taken into account. Another limitation of the classical management theory is its application to manufacturing settings alone and overreliance on prior experience and ability to use it (Wagner-Tsukamoto, p.10).

Behavioral Management

The research on management, which continued in the 20th after the classical management theory, led to behavioral management theory, which was meant to look into the motivation and interaction of people within an organization. Classical management theory and its principles ignored several management situations and could not well define the behavior and motivation of employees within the workplace. This led to the outgrowth of the behavioral school of thought, which was often referred to as the human relations movement. Behavioral management theory addresses the human dimension of work and leads to gaining insight into the behavior of humans at work in areas such as motivation, expectations, and conflicts. According to behavioral theorists gaining a clear insight into the behavior of humans at work could improve productivity (Stajkovic, Alexander, and Fred Luthans, p. 156)

Behavioral theorists view employees as individuals, resources, and assets who need development and are not bogged down with work as machines. One of the notable behavioral theorists is Elton Mayo, who conducted the Hawthorne studies, which revealed that human relations and the social needs of workers are very important elements of organizational management. Abraham Maslow, a behavioral theorist, came up with the theory of motivation, which was based on the needs of humans. According to Abraham's theory of motivation, human needs had three assumptions as follows: human needs are insatiable, human behavior is motivated by purpose and need for motivation, and finally, human needs can be classified in a hierarchical manner from the lowest to the highest (Chaturvedi, p.7).

Abraham Maslow classified the needs of humans into five categories they include physiological needs, safety needs, belonging and love needs, esteem needs and self-actualization needs. Physiological needs include those needs required to maintain the well-being of a human being, such as food; however, satisfaction of these needs is not a motivator. Safety needs include shelter, protection, and stability. The need for belonging and love is quite a motivator since individuals usually strive to create relationships with others. The esteem needs to include the desire to achieve fame, status, reputation, and glory (Chaturvedi, p.7). After all the above needs are satisfied, a person needs to find himself hence the needs for self-actualization. It is notable that Maslow hierarchy of human needs has helped several organizations visualize the motivation of employees.

Another proponent of the behavioral management theory is Douglas McGregor, whose theories were largely influenced by the Hawthorne studies and Maslow's theories. According to Douglas, there exist two managers; one is the Theory X manager, who perceives employees as lazy, untrustworthy, and unable to work without supervision. The Theory Y manager perceives employees as people who can be trusted and willing to work without being supervised. In addition, such employees have high motivation levels (Chaturvedi, p.6)

Behavioral theorists believe that employees have inner satisfaction and are not necessarily motivated by financial rewards. Understanding human behavior and motivation and treating employees as assets guarantees an organization to achieve its goals (Hersey et al., p.38).

Coca-cola is one company using the behavioral management theory within its organizational structure. The company assesses leadership skills among its employees based on their behaviors. It is believed that leadership skills is something that can be learnt over a period of time and the company tries to ensure that employees are given a chance to learn and develop skills in leadership. Maslow motivational theory is also employed by the company to satisfy various needs of its employees. The company has some special programs to assist the employees with the process of satisfaction. It offers cultural awareness programs and employee forums to allow employees to share their interests and cultural backgrounds. Employees provide to one professional and personal growth advice to one another. Employees are also regularly motivated by incentives and occupational opportunities.

Differences between the Classical Management and Behavioral Management Theories

Classical management basically considers efficiency and productivity as the most important aspects of the organization, while behavioral management emphasizes human relations and emotions in the workplace. Despite the focus of these theories being on how managers can manage the employees at work and achieve productivity, the dimension of reaching this goal is different in regard to the two theories.

Classical management emerged during the 20th century to understand the trends and patterns of an organization whose aim was to create a way of predicting actions, dynamics, and interactions within business. Due to the employment of different individuals from various backgrounds, there was a need to deal with mushrooming management issues hence the development of behavioral approach to management. A behavioral approach to management was meant to understand individual's different needs, ethnicity, and walks of life. The human relations movement emerged to encourage organizations to be perceived as a social system for interaction, conflict, and communication.

Conclusion

Classical management and behavioral management theories are still relevant in the contemporary management of organizations and addition with other modern theories can give strength to these theories to help and guide future managers. Managers should not only focus on the task but be cognizant of the employee's needs and behavior within the organization. The working environment is important for managers to understand as a crucial factor of motivation to enhance productivity.

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