

# A Study of Leadership styles across Classical, Neo-Classical and Modern eras of Management

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**Abstract:** The evolution of management era also has seen different leadership styles. When we consider classical era of management we can find scientific management, Administrative and Bureaucratic approach which followed Autocratic and Bureaucratic leadership styles. The leaderships in Neo-Classical era was more emphasizing on Participate and Relationship oriented leadership styles. The modern management era focuses on systems and Contingency approaches, which follows Transformational and Transactional leadership styles. The paper tries to explain the task, productivity, structural delegation of work, coordination, human relations, behaviours, Managers social responsibilities with leadership styles. The leadership styles mainly focus on Performance and efficiency of employees.

**Index Terms:** Contingency approach, Transformational leadership, Transactional Leadership, Scientific management, Relationship oriented leadership, Bureaucratic approach, Administrative approach, Democratic leadership style, Relationship oriented leadership

## 1.0 INTRODUCTION

The managers in the early stage of industrial revolution started managing on trial and error basis. The boom of industrialization led the foundation for adopting management methods. The management and leadership was very abstract and did not had theories. The industrial revolution led the concrete start for classical, Neo-classical and modern management eras. The leadership styles were also simultaneous practiced with respect to the particular time frame of eras. The weakness and limitation of one era gave rise for the emergence of next era. The Industrial Revolution was between 1700 to 1900 which was considered as pre scientific era. The classical era started from 1900 and existing till 1930, here we can find three important styles of management namely Scientific, Bureaucratic and Administrative. The next era called Neo-Classical was between 1930 to 1960; here we can find human relations, quantitative and organizational behaviour. The next era was Modern from 1960 onwards which consisted Systems Theory, contingency theory and total Quality Management.

Leadership styles also equally emerged with management eras. Leadership is providing directions, motivating employees and working towards implementing the objectives. There are few instances where we find born leaders and others acquire the leadership qualities over-time. A good leader can mix different styles of leadership and can influence his followers in a particular method to achieve the goal. Different leadership styles got emerged with practical experiences to increase the efficiency and performance of the result. The different leadership styles with management era are as follows, Autocratic or authoritarian leadership, Bureaucratic, charismatic, participative or democratic leadership, relationship oriented leadership, servant leadership, transformational leadership, task oriented leadership and transaction leadership.

## 2.0 REVIEW OF LITERATURE

Ozgun Onda (2016), conducted research on classical organization theory: from generic management of Socrates to bureaucracy of weber. The objective of the paper is to concentrate on development of organizations and organization theory from its early stage with detailed definitions and to study theoretical roots with the perspective of the 15 pioneering people

(Socrates,smith,owen&babbage,McCallum,Towne,watt,Metcalfe,fayol,taylor,Gannt,Gilbreths,Barth,weber & Gulick) theories are presented one by one. Also authors explained the strength and weakness of the classical organizational theory.

Mildred Golden Pryor and Sonia Taneja, (2010), Conducted research on Henri Fayol, Practitioner and theoretician- revered and reviled. Authors intend to enlighten today`s practitioners and academicians about the relevance and value of fayol`s theories today. Key finding of the paper is that fayol`s theories are valuable and relevant for organizational leaders because fayol was a practitioner who documented theories that worked best for him and his coworkers. While there those who criticize fayol`s theories. The theory of management functions aligns well with strategic leadership and management models of theories.

A.H.Maslow, A theory of human Motivation, in this paper author has given various propositions which included in any theory of human motivation that could claim to be definitive. This paper present to formulate a positive theory of motivation which will satisfy these demands and at the same time conform to the known facts, clinical and observational as well as experimental.

Tony Kippenberger Oxford: Capstone, Leadership styles, (2002), This book emphasizes on different leadership styles and understanding how to master in leadership concept. The book speaks about role of leadership in cross functional domains. It explain the leadership styles and issues by considering examples of world`s most successful leaders like Ken Blanchard, Manfred Kets de Vries, Ed Schein, Gareth Jones and Bob Goffee .

SC Certo, ST Certo, Modern management (2006), this book speaks about modern management. The book gives insight about how to align and achieve the organizational goals. It covers the creativity and management for managers at all levels, History of management and glimpses of management and operations.

C Bertrand Thompson, The Theory and Practice of Scientific Management ( 2018), This book gives us insight about how tasks are carried out in scientific manner. It tells about tasks, wages, organization of work and scientific selection of workers.

### 3.0 CLASSICAL ERA

The classical School of Management was influenced by technological forces social and economic which brought transition from agriculture base society to industry based society the management in this Era focused on structure delegation and coordination. Ozgur Onda (2016)

#### 3.1 SCIENTIFIC MANAGEMENT

This is concerned with best way of executing tasks through the implication of scientific methods. Scientific management focuses on organizations work classification, Rationalization, Quantification and Measurement. Frederick Taylor concluded pay and productivity are in low scale, operations in the manufacturing company were poor, relations between worker and management was antagonistic. According to tailor`s principle maximum prosperity of owner is aligned with maximum prosperity of each and every employee. Taylor, F. W. (2003). Time and motion studies used to establish best single way of shoveling. Tailor`s experience made him to provide four principles which became foundation stone for scientific management like Each task is broken into basic movements and explains one best way of performing the task, Selection of right employee for right job based on mental and physical abilities and Cooperation between workers to accomplish the goals with the help of standardized tools 4) The division of work force for which the employees are best equipped Henry Gantt contemporary of tailor emphasized on setting good wages and bonus if profit is exceeding. This has lead for more room for initiative and discretion. Gantt provided base for modern scheduling techniques where work in progress is plotted against calendar with the help of Gantt chart. Gantt also emphasized on organization of work. Lillian Gilbreth`s work was on scientific selection, development of workers, human factor and training. She was early pioneer of human resource management system. The Theory and Practice of Scientific Management (2018).

### 3.2 BUREAUCRATIC APPROACH

This approach used Inductive approach from organisations and deductive from Universals. Inductive reasoning Works from observation towards generalisation and theories. This is also called as bottom up approach, theory, hypothesis, pattern, observation. Deductive reasoning Works from general to specific. This is also called as top down approach. Theory, hypothesis, observation, confirmations. Max Weber German sociologist concentrated on how to structure the organisation which leads to success. Bureaucracy's main goal is to promote efficiency. Bureaucracy had six major elements like selection, hierarchy, formalisation, impersonality, career orientation division of labour. Chain of command become motto of this time period. This management style was extensively used in large scale industries. This style become more popular for civil service and public organisations. Ozgur Onda (2016).

### 3.3 ADMINISTRATIVE APPROACH

This approach mainly focuses on senior management and policy issues. The important contributor was Henri Fayol. Fayol addressed the problems faced by Senior executives while managing the organisation like, technical, security, accounting, commercial, managerial, financial along with this fayol also provided 14 basic principles of management like division of labour, authority, discipline, unity of command, unity of direction, subordination of individuals interest to general, remuneration, scalar chain, order, stability of tenure, equity, initiative, centralisation, esprit de Corps. Chester barnad focused on purpose and mission of organisation, hiring good Specialists and effective communication system. Mary Parker follett emphasised on changing situation which is faced by managers, managers flexibility , motivation to group and individuals. Ladle Uric focused on span of control, job definition and social responsibilities. The leadership styles which is observed in classical era of Management are as follows.

### 3.4 Autocratic or Authoritarian leadership

Autocratic leadership style is one of the approaches in classical management approach. The manager is authoritarian, decision maker and power driven. These leaders make rules by themselves. The leaders make the decisions in peerless environment. We can analyze that employees involvement is null in decision making. The punishments and rewards are unstructured. This kind of leadership expects obedience from staff rather than their ideas. Few observations are made in classical era with respect to autocratic leadership like the leaders are strong on other employees they are only concerned with productivity. This style is good for getting routine jobs done by employees who require close supervision and quick decisions are made. This leadership believes in setting rules and orders. Others considerations are not taken into account. No one is allowed to make questions and involve in decision making. The creativity and innovation can get suppressed. Leadership styles, (2002)

### 3.5 Bureaucratic leadership style

These leaders strictly follow the rules and regulations led by higher authorities. They believe in hierarchical approach and order passing from one Level to another level. These leaders follow procedures rigorously. This style helps to execute operational policies in the organization. Serious problem is, there is no space for flexibility and creativity.

### 4.0 Neo Classical era

This era mainly focused on human relations and behavioural, the studies mainly concentrated on human side of Management and how social and psychological factors interact with work environment to increase the influence of performance. The Elton Mayo insisted on informal relations, Mayo argued that more focus should be provided on motivation, communication, and employee welfare and also insisted on cooperation of group, which promotes the job satisfaction. Abraham Maslow who focused on basic needs and satisfaction, he proposed need hierarchy theory. Herzberg focused on hygiene and motivator factors and his studies emphasized on social and psychological factors which influences the performance at workplace. The leadership style which is observed during neoclassical era are as follows.

#### **4.1 Participate or democratic leadership style**

This style of leaders gives importance to the team members and also involved in decision making process this kind of leadership is applied when managers have a part of Information and employees have other part of information, few observations like Boosts overall Team Spirit. The leader by considering the inputs of employees adds value to their opinions, Employees are open for the changes as they are also part of decision making process, The leaders would be taking the final decision, Decision making process would slow down and may affect the performance and efficiency and The team members may not provide high quality inputs for decision making.

#### **4.2 Relationship oriented leadership**

This leadership mainly focuses on skilled interaction with people. The leaders inspire and motivate the team members to achieve the organizational target. Few observations are as follows Leaders inculcate a positive feelings in employees, tries to provide good vision about opportunities and quality of work, Leaders are friendly understandable and approachable, Team members like to work under this kind of leadership and also overall team productivity gets higher and higher, Sometimes relationship oriented leaders involve too much with team members and do not emphasize on objective of the project and These types of leaders are more dependent on their team members and seek their trust. Pierre. Leadership styles, (2002)

### **5.0 Modern management era**

The modern management ideologists emphasised the social responsibilities and business activities on a similar line of work. During this era we can observe that the principles of management has refined and reached to perfection. .The evolution of big companies as made management and ownership separate. .The changed perspective of ownership pattern made to bring in the salaried professional managers replacing the owners as manager. The hired managers can execute and use scientific methods of Management but at the same time these managers become responsible to different sections of society like suppliers, commercial trade unions, customers and other government agencies.

#### **5.1 Systems approach**

This approach viewed organization as open and organic system. Which consisted inter dependable parts called subsystems. These approaches are based on generalization and inter relationship approach. One of the important aspect of this approach is hierarchy of subsystems, for example each country consists many Industries, each industry consists of many firms and many forms is considered as a system which consists of subsystems like accounting, financing, marketing, production Etc. Organisational system has boundaries which differentiate between internal and external environments.

#### **5.2 Contingency approach**

This approach does not accept the Universality of Management Theory. It stresses management is situation and managers must explain design of the organisation, objectives policies, Strategies and plans for particular circumstances. It emphasizes on the effectiveness of managerial practices and policies, depends on adjustable nature to the changes in environment. This approach improves the Diagnostic skills to anticipate the internal and external environmental changes. This approach focuses on human relation as well to stabilize the changes. Finally this approach applies the contingency model in designing and development of organisation, communication systems and information. Which is followed by proper. Leadership styles and preparing best practices, programs, policies, and Strategies and objectives. The managers are expected to be situation oriented and not stereotype, so managers become more and more creative and innovative. Leadership styles observed during the modern management era are as follows

#### **5.3 Transformational leadership**

It is one of the best leadership styles which use business scenarios. This style focuses on empathy and repo to engage the followers. Few observations are as follows These leaders not only expect best from their team but also they themselves involve in day to day activities These leaders are known to promote new innovative ideas and also promoting good initiatives and These leaders are good to increase the team spirit among the team members. Bass, B. M.; Avolio, B. (1994)

## 5.4 Transactional leadership

This is also called managerial leadership. The whole idea of leadership is based on the transaction between team members and leaders few observations are as follows These leaders are involved in evolution of performance, setting goals and supervision, Team members are consistently rewarded and appreciated and Team members who are entitled for external rewards are highly motivated which increases the work quality also.

### Propositions

- The Classical leadership emphasized on assembly line or order based commands where single structure can give better results
- The Leadership focuses more on production enhancement rather than encouraging employees to involve in decision making process.
- The Psychological factors like human relations and human behaviour lead the foundation to practice Democratic and Relation Oriented leadership styles in neo-classical era of management.
- The neoclassical leaders along with behaviour of employees should also try to attain emotional equilibrium to increase the efficiency of project.
- The modern leader's mind and operations approaches with the help of strategic planning can bring changes in industry 4.0.

The leadership styles in different eras only give us narrow elements of leadership. Every situation makes managers to get exposed to new dimensions of leadership in an organization. The new leadership era demands leaders to have a good vision, willing to take risks, adaptability to changes, values and goal. All the strategies made by leaders should be aligned to the vision so that long term goals can be achieved. Leaders in the modern management era focus on working in group and working for the group. The Strategies of leaders should empower the skills and confidence of subordinates the emerging leaders should cultivate the ability to visualize, conceptualize, comprehend and articulate to their peers and team members. A good leader should know the difference between strategy and operational effectiveness. The next generation of leaders should not only emphasize the access of information but also they should know how to differentiate the most relevant information also. Looking the leadership as construct across the eras, next generation research can be carried out to study the mind of a leader.

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