

Applicability of Administrative School of Thought in Higher Education Institutions of Pakistan

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Abstract

This study has focused on Henry Fayol's principles of Management with respect to success of Higher Education Institutions (Universities) of Pakistan. Survey approach was adopted to evaluate whether his school of thought is applicable in Higher Education institutions. For this purpose a well structured Questionnaire was distributed in different universities. Response of the respondents was empirically analyzed and found that almost all independent variables Particular Authority / Responsibility, Discipline, Centralization / Decentralization, Initiative and Turnover are most significant. From this analysis it can be concluded that Henry fayol's principles of Management can contribute significantly in promoting efficient management in universities. It also found that some universities are running their administration in their own way and they don't adopt follow the concept of Henri Fayol's school of thought.

Keywords: Higher Education institutions. Administrative School of Thought (Henri Fayol), Effective Management and Objectives.

I. INTRODUCTION

Managing activities is the most important art of human being. An individual could not accomplish goals or aims alone, so people began forming groups. The individual efforts develop coordination to achieve a common objective. In recent years people strongly rely on group efforts, the small groups are organizing themselves to the larger ones and the task of each group member has great importance.

Different scholars have defined the term Management in their own perspectives. According to E. S. George 'it is getting things done through others' some define it as 'it is the process of designing and maintaining an environment in which individuals working together in groups, efficiently accomplish selected aims'. Koontz and O'Donnell define management as 'creation and maintenance of an internal environment in an enterprise where individuals working together in groups can perform efficiently and effectively toward achievement of group goals'. In mid 1940's people from various business schools of US make a gathering with the purpose to define management in such a way that academicians can teach and businmen can

implement it. Management is defined by a group of scholars as, 'management is guiding human and physical resources in a dynamic organization units that attain their objective to the satisfaction of those served and with the high degree of morale and sense of attainment on the part of those rendering services'.

This definition can be analyzed as manager must keep balance between human and physical resources. The importance given to both must be same. Organizations are of dynamic nature, managers must adopt changes in order to be successful as stated in the definition. Another important concept is attainment of objectives. Objectives are integral part of organization, When these are achieved, the group members are satisfied, this satisfaction is served as performance measurement. The level of satisfaction of employees are reflected in quality of product that leads to customer satisfaction, increase of product & so on.

Researchers and scholars have worked hard and contributed many ideas for management practices. People having managerial/administrative role must know how management organizations came into existence and how they grew and developed. Some of the traditional theories and concepts of well known researchers may help their in understanding the concepts of management. The major contributors were Frederick Taylor's scientific management (1903), Henry Fayol's modern management theory (1916), Elton Mayo and F.J Roethlisberger's Hawthorne studies (1933). Classical theories were based on principles. The Mooney, Gulick, Reiley, Fayol, Emerson, Taylor help in explaining these principles.

Administrative theories were consisting of the work of Henri Fayol and Max Weber. But the difference among two scholars lies in the application of theories. Theory of bureaucracy is of course an important idea but it is applicable only in organizations. According to Weber bureaucracy is highly structured, formalized and impersonal organization.

The work of Henry Fayol is most important in this accordance. His ideas for management are called "Administrative Industrielle et Generale (A/G)". He was a French industrialist and perhaps the father of Modern Management Theory. He was the one who recognizes the need of teaching of management and its principles. He identified fourteen principles that they are flexible and usable regardless of changing conditions. These principles are still in use in many organizations. Henri Fayol principles are grouped under three main heads.

Structural principles include; division of work, unity of direction, centralization, authority and responsibility, and scalar chain. These principles help in describing the methods and guidelines of organizational structure. The second main head is process principles, it includes; equity, discipline, unity of command, remuneration, and subordination to general interest. These principles help in determining the ongoing activities of the organization. The third main head is purpose principles, it includes; order, stability, initiative, unity of efforts, these principles are very important in explaining the basic objectives and goals of organization.

As it is said before that management is getting things done through others, the framework of manager can be like that: a manager 'perform' certain functions (planning, organizing, staffing, leading, controlling), 'utilizes' certain resources (human, physical, financial, natural), 'applies' certain techniques (standards, appraisals, controls etc) 'aware' of results of certain concepts (communication, leadership, motivation , conflicts), 'in order to obtain'

certain goals (individual, departmental, corporate), 'in a manner that encourages growth (individual, corporate) to the satisfaction of consumers and members of organization.

According to dictionary, 'to administer is to govern or to manage a public or private business. It means to make the best possible use of resources available in achieving the goals of enterprise. Administration includes all operations of the enterprise. But as a result of the usual way of organizing things to facilitate the running of the business. Fayol observed that all the employees have some administrative duties, the operative worker exercising a few, but as one move up the hierarchy the time spent on administrative matters increased. The success of organization depends on the wise exercise of administrative abilities. Administration requires the application of wide knowledge and many personal qualities is the art of handling men and in this art it is the practice that makes perfect.

Henri Fayol, the father of the school of Systematic Management, realised that organisations were becoming more complex and required their managers to work more professionally. His motivation was to create a theoretical foundation for an educational program for managers who lacked formal training in those days. He developed generic 'Principles of Management' to help organisations achieve optimum performance working toward their goals.

The study is concentrating attentions on Henri Fayol's work because his principles are of great importance, if they are properly implemented in higher education institutions.

The proper implementation of Henri's fourteen principles will help in increased production, minimize employee turnover, increase employee satisfaction, enhanced organizational performance and so on.

Pros:

Although Principles such as Stability of jobs and positions and Division of labor seem a product of their times, other aspects such as the need to specialize, unity of command, clear reporting relationships in a formal structure, and the need to coordinate activities among specialized groups, are relevant today. Fayol provided a language to communicate management theory. He held that teaching was impossible without theory. His Principles prioritized issues for senior management and prescribed solution directions.

Gulick and Urwick continued Fayol's work by providing empirical evidence. Gulick showed that a maximum span of control of seven employees per manager in US schools was most effective.

In contrast to the key beliefs of Scientific Management, Fayol held that managers should perceive organizations as living organisms rather than mechanical machines.

Cons:

In 1946, Simon skillfully argued that that the principles of administrative management described by Fayol, Urwick and Gulick were vague and contradictory and could not be used

as guidance. A decade later, Contingency Theory showed that structuring organizations depended on external circumstance. Systematic Management takes a 'tabula rasa' approach by ignoring previous history, context and human behavior.

Fayol regarded an organization's size as the one differentiating factor and omitted variables such as culture or technology.

Fayol focused more on the issue of internal optimization than external adaptability. His experience originated in large, formal organizations that operated in slowly changing environments.

Objectives of the Study.

1. To find out the applicability of administrative theory (Henri Fayol) in Higher Education Institutions of Pakistan.
2. To identify the principles (Henri Fayol) which one has great importance with respect to administration?
3. To give concrete recommendations for good management practices

II. REVIEW OF LITERATURE

"Dubbed the father of modern operational-management theory" (Long, 1997, p.31), Fayol's ideas and theories on management are founded in his practical 49 years of experience working in the mining and steel industry. However, Fayol was quick to point out that his theories were not confined to his particular industry: "Fayol saw his management principles, including control, as applicable to industry, government and all forms of human organization" (Parker & Louis, 1995, p.223). As Fayol himself notes, "There is not one doctrine of administration for industry and another for state enterprises; there is only one doctrine. The general principles and rules that are valuable in industry are equally valuable in the state and vice-versa" (as cited in Breeze, 1995, p.45).

Despite the fact that "Most principles of management textbooks acknowledge Fayol as the father of the first theory of administration" (Carter, 1986, p.454), Fayol's early development of management theory is only one reason for his importance in the field of leadership; a second yet somewhat lesser claim to fame lies in the fact that he was also an early proponent of management education (Breeze, 1995; Fells, 2000, Gulick, 1937).

Hales (1986) argues that if the classical theories are viewed as theories of management functions rather than hypotheses of individual management behavior, then they are neither confirmed nor denied by the later literature. He demonstrated his commitment to this view by expressly including three of Fayol's five elements of management (planning, controlling and directing) into his model based on a literature survey. The other elements, this researcher argues, are no more inapplicable but are included elsewhere in more contemporary models.

The word "principles" should not be interpreted too restrictively (Brodie, 1967). Fayol believed that the principles should be flexible and capable of considerable adoption (Brodie,

1967). This researcher believes that these relatively little known principles (Archer, 1990) afford great flexibility and necessary perspective.

Archer (1990) argues that US should return to the principles. He observes that the US productivity and standard of living levels soared while Fayol's principles were popular during 1930s to 1960s. He also argues that much of Japanese success can be attributed to their adherence to Fayol's principles. He offers examples of Japanese techniques that embody Fayol's principles:

- JIT (just in time) – the principle of “order”.
- Advanced approaches to assembly-line balancing, quality and production control mechanisms- “division of work”.
- Quality circles and exercise sessions-“esprit de corps”.
- Lower level decision making-the principle of “initiative”.

Fayol's model was based on observation too (Brodie, 1967) in fact Fayol stressed the importance of observation. He believed that the management laws and principles could be deduced from observation and experience just they could in other sciences (Brodie, 1967).

Other believes that Fayol's elements and principles remain valid and in use today. Luthan's et al. (1985) studied 52 managers at varying levels (Mintzberg observed five senior managers). They found that traditional managers' roles were frequently observed, particularly by successful managers at more senior levels.

Luthan's et al. (1985) acknowledges the support that Mintzberg's work has received. However they cite several studies that identify the potentially significant weaknesses with Mintzberg's (1973) findings and suggest that the real value of his study is not the ten rules but rather the use of direct observation which provide insights into management behavior. Their study also found considerable support for Kotter's (1982) conclusions but noted that successful managers at top levels devoted more attention to the traditional rules such as planning and coordinating.

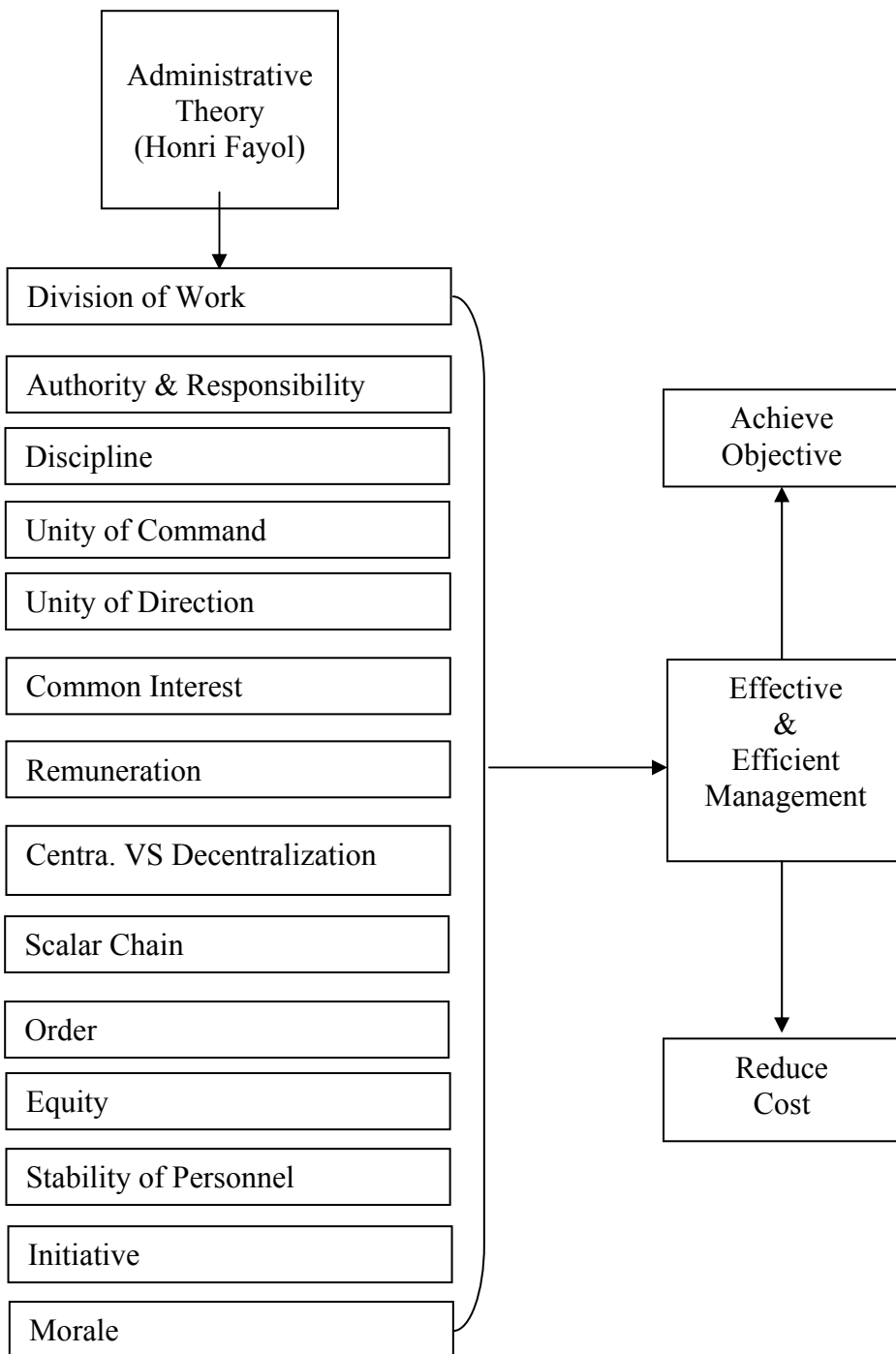
Luthan's et al. (1988) studied 457 managers at various levels and from diverse organizations over a four year period they have concluded that much of the manger's time is doing what is described in traditional school of thought.

III. METHODOLOGY

A survey method is used to earn insight of organizational practices of administrative theory (Henri Foyal 14 Principles) adopted by the higher education institutions and their impact on critical performance measures. For the said purpose a well structured questionnaire is developed based on administrative theory of Henri Fayol. The questionnaire was designed to assess the association of administrative theory, which the literature has shown to have significant relationship with organizational culture and employees' satisfaction, and its influence on employee performance. The main purpose of the study was to judge whether the administrators of higher education institutions are following the administrative theory or they run their institutions from own experiences. A sample of one hundred and fifty employees is taken and the response is collected against a well structured survey questionnaire on a 5 point

Likert scale. The data were collected from the various higher institutions (Universities) of Pakistan. A convenient sampling technique is used. For the said purpose internet is used to deliver the questionnaire to the sample place. Indeed, five provinces represent Pakistan, that is why major cities of four provinces are selected for data collection to gain rational representation. The questionnaires were self administered, which substantially increased the response rate, out of 130 questionnaires 95 were returned and included in the study, so the response rate is 73%, which is considerably higher.

Theoretical Framework



Reliability Test

The Cronbach's alpha coefficient was used to assess the reliability of the measures (Straub, 1998). The lowest acceptable limit for Cronbach's alpha is 0.6 as suggested by Hair et al (1998). The reliability analysis for the dependent (Administrative Practices) and independent variables which are Division of work, Authority & Responsibility, Discipline, Unity of Command, Unity of Direction, Common Interest, Remuneration, Centralization / Decentralization, Scalar Chain, Order, Equity, Initiative, Turnover and Morale, were up to the mark. The results demonstrate that all the scales have relatively high reliability and are suitable for further analysis.

Pearson Correlation

The main objective of any research study is to explore the relationship among different variables and find out which one independent variable is vital for dependent. To consider this main objective correlation analysis is applied to find the relationship between two variables. Correlation coefficients (typically denoted by the statistic "r") describe the strength of the relationship between two variables. Correlations range from -1.0 to +1.0 in value. A correlation coefficient of 1.0 indicates a perfect positive relationship while correlation coefficient of -1.0 indicates a perfect negative relationship and similarly a correlation coefficient of 0.0 indicates no relationship between the two variables. A correlation matrix is given below which is indicated the strong and weak relationship between dependent variable (Admn Practices) and independent variables.

Table 1. Univariate Statistics and Correlation among the Variables

	Mean	Std. Deviation	Division of Work	Authority Response	Unity of Command	Discipline	Common Interest	Centralization	Scalar Chain	Order	Equity Initiative	Stability Personnel	Morale Practices	Admn
Diviwork	3.8690	.97024	1											
AuthResp	3.8696	.65125	.413	1										
Discip	3.6095	.95179	.700**	.097	1									
UnityofComm	3.4464	.46363	-.430	-.149	-.007	1								
Disciplin	3.6261	.91115	.700**	.100	1.000**	-.007	1							
UnityComm	5.4522	.73662	-.430	-.149	-.007	1.000**	-.024							
CommInterest	3.5217	.70772	.640**	.187	.654**	-.218	.649**	1						
Remuneration	3.7478	.68282	.472*	.631**	.401	.107	.394	.597**	1					
CentDecent	3.3768	.54406	.599**	.480*	.552**	.089	.548**	.450*	.545**	1				
ScalerChain	4.0290	.97914	.506*	.644**	.511*	-.160	.502*	.498*	.496*	.367	1			

Order	4.087 0	.66071	.323	.127	.499*	-.028	.494*	.151	.098	.087	.433*	1					
Equity	3.710 1	.77397	.528*	.332	.455*	-.140	.454*	.543**	.446*	.223	.705**	.417*	1				
Initiative	3.463 8	.69442	.688**	.659**	.494*	-.167	.473*	.379	.590**	.626**	.492*	.459*	.468*	1			
StabilityPersonnel	3.565 2	.68486	.493*	.535**	.397	-.094	.398	.302	.558**	.297	.697**	.601**	.723**	.592**	1		
Morale	3.434 8	.86016	.571**	.008	.669**	-.054	.669**	.551**	.269	.265	.317	.304	.386	.332	.297	1	
Admnpractices	4.043 2	.52809	.770**	.518*	.831**	.016	.831**	.690**	.721**	.664**	.762**	.531*	.708**	.776**	.728**	.628**	1

** . Correlation is significant at the 0.01 level (2-tailed).

* . Correlation is significant at the 0.05 level (2-tailed).

Linear Regression

	Unstandardized Coefficients		Standardized Coefficients		Sig.	95.0% Confidence Interval for B	
	B	Std. Error	Beta	t		Lower Bound	Upper Bound
(Constant)	1.02	.247		4.127	.000	.506	1.535
Division of work	.097	.060	.196	1.612	.122	-.028	.221
Authority & Responsibility	.302	.062	.423	4.836	.000	.172	.432
Discipline	.304	.056	.607	5.429	.000	.188	.421
Unity of Command	-.051	.093	-.077	- .546	.591	-.246	.144
Unity of Direction	.051	.109	.064	.469	.644	-.176	.278
Common Interest	.290	.109	.460	2.676	.015	.064	.517
Remuneration	.297	.113	.438	2.618	.016	.060	.533
Centralization/ Decentralization	.383	.076	.451	5.037	.000	.225	.542
Scalar Chain	.128	.059	.280	2.159	.043	.004	.251
Order	.144	.065	.211	2.210	.039	.008	.281
Equity	.192	.071	.327	2.686	.014	.043	.340
Initiative	.245	.071	.373	3.480	.002	.099	.392
Turnover	.306	.075	.481	4.080	.001	.150	.462
Morale	.146	.057	.270	2.550	.019	.027	.265

a. Dependent Variable: Administration Theory

Regression Analysis:

Multiple regression was used to test the hypotheses of the study. The results of regression analysis for applicability of administrative school of thought (Henri Fayol) in higher education institutions of Pakistan are presented in above table. Eleven independent variables, which are authority / Responsibility, Discipline, Common Interest, Remuneration, Centralization / Decentralization, Order, Equity, Initiative, Turnover, Morale had statistically significant and positive relationships with administrative school of thought (Henri Fayol). The authority / Responsibility, Discipline, Centralization / Decentralization, Initiative and Turnover were the most significant independent variables with beta coefficients ($\beta = .423$, $\beta = .607$, $\beta = .451$, $\beta = .373$ and $\beta = .481$) at the 0.000 significance level respectively, followed by the Common Interest (.460), at the .015 significance level, Remuneration (.438) at the .016 significance level, Scalar Chain (.280) at the .043 significance level, Order (.211) at the

.039 significance level, Equity (.327) at the .014 significance level, Morale (.270) at the .019 significance level.

Discussion and conclusion:

The research analysis shows that there is significant relationship between administrative school thought (Henri Fayol) and organizational success. A well defined administration leads to achieve the stated goals. It is noted that every organization whether the organization is profit oriented or non-profit oriented they want success. In this way first they set targets and then try to achieve these targets through best utilization of resources. For the said purpose administrative school of thought (Henri Fayol) has given the idea to work with proper manner. This theory is tested on the higher education institutions of Pakistan, because actually they are producing administrators and managers. To investigate whether they are following the rules of administrative school of thought itself or not. The perception was that most higher education institutions are following the traditional school of thought, but it has been found that this perception was wrong. Wrong perception never means that almost all the institutions are following the true sprite of administrative school of thought. Some higher education institutions who are working in the small cities of Pakistan they are following their own administration practices, due to their unique demographic constraints. This is a reason that they are lacking behind the standards.

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