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History of management – what is the future for research on the past?

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To manage is, etymologically, to act or operate (*agere*) with one's hand (*manus*). In that sense, 'management' could be seen as a 'genetic feature of humanity' (Le Texier, 2013: 191; Urwick and Brech, 1949; Wren and Bedeian, 1972). The broad usage of the term, though, is in reality quite recent. A rapid search through GoogleNGram shows that use of the term 'management' (in the English language) started to increase around the turn of the twentieth century and exploded from the 1950s.¹ Ever since, the term appears to have become ubiquitous. Starting in the 1950s, 'management' has progressively imposed itself as a new form of global 'religion', with its many churches (business schools), its missionaries (consultants of different kinds), its priests (academics and all forms of gurus), its rituals (many forms of managerial practices, fads and fashions) and its followers (managers, decision makers but also all of us) who regularly turn, for advice and inspiration, to the 'texts' and the 'encyclicals' (managerial literature and press). Furthermore, not only has 'management' as an activity been institutionalized and quasi-professionalized. It has also expanded and entered into areas of social and human life that until recently had been structured and ruled by very different kinds of logics. The consequence has been a managerialization of 'nearly everything' – private firms are being managed naturally, but so are public administrations, hospitals, schools, prisons, soccer teams, museums and even time, conflicts or relationships.

Hence, management has reached a status of taken-for-grantedness, a kind of naturalness that makes it essentially transparent and invisible to us, even though it is highly structuring of what we do and even of who we are. This is where a history of management not only can but in fact should help. Management is an institution and as such it is not a natural biotope. All institutions are culturally, socially and politically constructed systems. The nature and process of construction significantly shapes the resulting institutions and the ideological frames, practices and instruments associated with them – with strong performative consequences. The fact that we manage – rather than for example nurture – our organizations or our relationships is certainly not neutral. Our very capacity to think about alternatives, however, implies as a first step a capacity to de-naturalize the existing dominant template – management. And a potent tool for de-naturalizing, and hence

¹ If we search for other languages (French, German or Spanish) there is nothing before the 1950s except for the translations of Taylor's *Principles of Scientific Management*.

fragilizing, institutions is the historical deconstruction of the social, economic, political and cultural dynamics that have made them what they are today. The task, furthermore, is an urgent one:

It is the constant danger of lack of historical training such as unfortunately has become more common and is becoming almost respectable in some circles today – that a given situation may come to be regarded as God-given (or natural) and our prejudices to be erected into moral criteria, with any alternative inconceivable and thought of only with a shudder. (Badian, 1972: 12)

With this in mind, what are the more specific tasks we need to undertake, in the coming years, as historians of management? I propose that we need, first, to debunk present and future management fads and fashions by underscoring the cyclical rather than linear nature of management time. Second, we should focus on the articulation of a history of management with a history of contemporary capitalism and its institutions. Third, we should explore the transnational institutionalization of the dynamics of performativity, within private firms but also well beyond. Finally, we have to unearth power dynamics behind the institutionalization of management as an institution – beyond claims of neutrality and de-politicized practice.

The cyclical nature of management time

The theorization of management ideas and practices as fads and fashions is now well established in the literature (Abrahamson, 1991; Czarniawska, 2005; Rovik, 2011). Abrahamson defined a management fashion as ‘a relatively transitory collective belief disseminated by fashion setters, that a management technique leads to rational management progress’ (Abrahamson, 1996: 257). The conceptualization of management as collective belief is useful because it underscores the social and temporal construction of management and its so-called ‘best practices’. The literature, furthermore, has gone beyond the descriptive mapping of the lifecycle of particular ideas or practices as management fashions to focus on the ‘travel of ideas’, the work of ‘carriers’ or ‘fashion setters’ and the complex associated dynamics of imitation, adaptation, translation and hybridization (Czarniawska and Sevón, 1996).

Strangely enough, a focus on management fashions can easily (and generally does) come together with a linear understanding of time. Management fashions are transitory and lumpy. However, they keep following each other – when one subsides, another one emerges. The reading of time here remains one we feel comfortable with in the modern world – a linear progression and evolution, albeit admittedly a lumpy one. A long time ago, Cratylus in his interpretation of Heraclites moved us in that direction – by suggesting that ‘you cannot step into the same river twice’ (Jeannière, 1996). This particular reading of time as linear evolution has tended to combine, in modernity, with a progressive and teleological bent, often freeing itself from historicity (Marx, [1848] 2002; Spencer, [1851] 1970; Durkheim, [1893] 2004).

Quite in contrast, time could also be seen as cyclical or circular – forever repeating and replaying itself at least in its major structures. Instead of time being ‘the measure of change’ (Aristotle, [350BC] 1999: Ch. 12), time would be that which never begins, moves, changes or stops (Parmenide, [1955] 2006).

I propose that the next step in our research on management fads and fashions should be the historical exploration of the nature of their cumulative inscription in time (see Czarniawska and Joerges, 1996, for an early call to work in that direction). Beyond the apparent unique and transitory nature of each single management fashion, an historicist perspective would attempt to retrace the *longue durée* structures (Braudel, 1958) that frame not any particular management fashion or fad but their dynamic succession through time. Such an approach might allow us to show not a lumpy and linear evolution – from one fad to another – but relatively regular cycles of complementary fads or fashions. It would make it possible to identify, beyond the unique and specific features of a particular fashion, its commonality with other fads and their functional equivalence in recurring cycles. Hence we would recognize, for example, that a management fashion generating greater centralization of decision making is likely to be followed by a fad that fosters instead decentralization. From this perspective, the time of management becomes cyclical – and this understanding of the *longue durée* arguably translates into greater predictive power for scholars and practitioners alike.

Management as the software of a particular form of capitalism

Another important path to follow for historians of management in the coming years is that of trying to articulate the history of management with a history of contemporary capitalism and of its key institutions. Management as we know it today, with its ubiquitous character, often seems to have a life of its own. As a complex of concepts and practices, it indeed has to a great extent. In that sense, it is arguably having a strong performative impact – transforming, as it diffuses, systems, structures and institutions (Edelman et al., 2001; Thomas, 2013; Emery and Giauque, 2014). This, however, should not lead us to neglect the complementary and partly reverse impact. Today, management is indeed performing structural and even institutional transformation. Yet on the other hand, management as we know it cannot be understood independently of its historical association with a particular structural form of capitalism. Historically, management has emerged as the ‘software’ of a peculiar kind of economic system. At ‘the creation’, as it were, it was associated with a unique set of institutions that shaped what was at the time a revolutionary form of capitalism (Djelic and Amdam, 2007). This revolution happened at the turn of the twentieth century in the United States.

This period saw a profound reinvention of American capitalism. A merger wave on an historically unprecedented scale led to the reorganization of most industries in the United States as oligopolies (Sklar, 1988). Large firms were built up from

an aggregation of many small ones and those integrated giants were incorporated under a new legal status – the joint stock corporation – pioneered in New Jersey and Delaware (Roy, 1997). The emergent joint stock companies were often associated with dispersed ownership and the separation between ownership and control was an important consequence of that (Berle and Means, 1932). Owners became holders of shares (pieces of paper tradable on stock exchanges), hence ‘share-holders’. In the process, they stepped out of day-to-day decision making, leaving the space to salaried decision makers – or ‘managers’ as those would soon come to be called. The new industrial or service behemoths required tools and techniques making it possible to plan, coordinate, control and decide in spite of size. It is in that shifting structural and institutional context that ‘management’ as we know it emerged, became a job and was progressively professionalized. Business schools were set up around the country, starting with Wharton in 1881, and became important actors of this process of professionalization (Khurana, 2007). Later on, from the 1930s on, consultants, a dedicated press and professional associations would further strengthen and institutionalize management as a quasi-profession (McKenna, 2006).

Together with management and its development as an activity came the structuration of an intellectual field vying through time for the status of a scientific field. In the early years, both the influence of the bureaucratic model and the scientific impulse were strongly felt. Bureaucratic principles pioneered in European administrations and government offices were adopted and adapted to the large American private firm, while technicians and engineers pondered on the ‘scientific management’ of the production process. In his *The Principles of Scientific Management*, Frederick Taylor set out in 1911 to ‘prove that the best management is a true science, resting upon clearly defined laws, rules and principles as a foundation’ (Taylor, 1911, Introduction). Needless to say, management in this sense defined and carried the imagery of a masculine world. Management reflected the modernist dream of an absolute control over matter. Rational human beings could access and master the information and the tools needed to maximize the collective good and induce progress, both for the firm and for society at large.

Historians and historically minded organization scholars believe in the power of imprinting and, like Shakespeare, they are aware that ‘past is prologue’ (Simsek et al., 2015). Hence, if we are to seriously understand the history of management, we need to explore the roots of its early imprinting and deploy a combined history of corporate capitalism as structural ‘hardware’ and of management as its ‘software’. We need to revitalize, in other words, the Weberian project of understanding the reciprocal interplay and influence through time between the material structure of a certain form of capitalism and its associated ideological frame. The objective is not to

substitute for a one-sided materialistic an equally one-sided spiritualistic causal interpretation of culture and history. Each is equally possible. But each if it does not serve as the

preparation, but as the conclusion of an investigation, accomplishes equally little in the interest of historical truth. (Weber [1904]2005: 125)

Naturally, exploring imprinting at the origins is important but certainly not sufficient. We need also to develop historically informed research programs that will explore the dynamics of reciprocal influence through time between the material institutions of modern-day capitalism and its ‘software’ – management. The idea is to uncover reinforcing or sometimes conflicting mechanisms, elective affinities but also potential contradictions and how they got to be resolved. For example, from the late 1970s forward, corporate and managerial capitalism increasingly moved in the direction of significant financialization (Krippner, 2005). Arguably, financialization can be seen as the return, with a vengeance, of the owner or more exactly of the shareholder. The dominant argument then was that (financial/shareholder) markets were better at allocating resources and producing wealth than managerial bureaucracies, cartels or governments. If we think about it analytically, the progress of managerialization and the progress of financialization/marketization should, if not exclude each other, at least generate conflicts and contradictions. What happened instead, is that the two trends came in time to reinforce and strengthen each other. The result has been a compromise, leading may be to a strange monster – the financialization and marketization of management and the managerialization of financial markets and financial market actors. We urgently need to write a history of this suprising compromise and how it came to be (for a first step in that direction see Kipping and Westerhuis, 2014).

Performing management – within and beyond frontiers

Probing the past to understand the present is also particularly relevant if we want to make sense of the extremely widespread performativity of management today. We need historically informed research programs that will follow the paths through which management went from being the ‘software’ of the large American corporation to being arguably the dominant cultural system of our contemporary world – well beyond the frontiers of the United States and the padded walls of corporate headquarters.

The particular geopolitical context of the immediate post-second World War period was the background for the early diffusion of management – a geographical diffusion, from the United States to limited parts of the world (mostly Western Europe). The United States had then reached superpower status and it projected into the (Western) world insolent wealth and power. The connection was often made then between this success and the peculiarities of American managerial capitalism. American political authorities in fact constructed management in that period as a geopolitical weapon (Djelic, 1998). In the words of Paul Hoffman, a high-ranking Marshall Plan official, the United States should ‘fight the communist party line with the American assembly line’ (Hoffman, 1951: 87). On the other side of the Atlantic, in Europe, chaos, destitution and crisis reigned. This soon also

implied dependence when the United States launched a major aid program around the Marshall Plan and associated initiatives. As a consequence, the desire to imitate met with the wish to project – and management became an object of export/import between the United States and a number of countries, mostly in Europe (Djelic, 1998). Productivity missions, where Europeans ‘discovered’ American capitalism and more particularly management, expert visits and exchanges all played a part in this progressive acculturation. From the 1960s on, the internationalization of American firms and service providers took over as a major diffusion channel. Of even more significance in the longer term, though, one should mention the progressive structuration of a management education field in Europe starting in the 1950s (Djelic, 1998; Engwall and Zamagni, 1998). This structuration set itself in direct continuity to Marshall Plan-related initiatives and was financed in part by private American foundations such as the Ford Foundation (Gemelli, 1998). Incidentally, the first President of the Ford Foundation was Paul Hoffman himself after he left his position in the Marshall Plan. We have by now a number of rich historical explorations of how this process of diffusion played out in different countries – particularly in France, in Italy or in Turkey (Zamagni, 1995; Kuisel, 1997; Djelic, 1998; Usdiken, 2004). We still lack, though, a systematic transnational history (Iriye, 2004) of what was indeed, from the start, a process of diffusion with transnational ambition and scope (for an early step in that direction see Maier, 1977).

The diffusion of management reached Europe and Japan (as a US-occupied country) first. The fall of the Berlin Wall, in 1989, opened up new frontiers – and since then management has gone East (in the broad sense of the term). While management spread as sets of tools and practices, the intellectual and scientific sphere around ‘management knowledge’ also expanded and matured significantly during this same period. Here again, reach and scope were transnational. US journals became global references and targets for scholars everywhere in the world. Professional associations entered into internationalization paths. Locally or regionally, initiatives to structure the field of management knowledge multiplied. The number of business schools exploded and the MBA (Master in Business Administration) went from being a uniquely US degree to being a global label or ‘license to manage’. Regional associations and conferences were set up, journals were launched and English imposed itself as the *lingua franca* of this intellectual and scientific community. The broad diffusion of management as sets of tools and practices but even more importantly as an institution has thus marked the second half of the twentieth century. Strangely enough, the second stage in the geographical diffusion of management as an institution has been less studied than the first one. A partial explanation may be that management had become so institutionalized by then that its expansion could less easily be recognized as a process of diffusion. We have many scholarly contributions on the diffusion of particular management ideas or practices from one setting to another but we do lack a more macro exploration of this second phase in the transnational diffusion of management as a major institution of contemporary capitalism (for early attempts in that direction see Mazza and Alvarez, 2000; Sahlin-Andersson and Engwall, 2002).

In parallel to this second phase of geographical diffusion, management also came to cross a number of other frontiers. As the foam of the neoliberal wave, management has spread to many spheres of social life. New Public Management and its worldwide success, in particular, has carried management to state administrations, to the health and education sectors as well as to prisons and national security administrations (Bryans, 2000; Christensen and Lægreid, 2001; Kirkpatrick et al., 2009; Regini, 2011). Even cultural, sports and not-for-profit organizations have been managerialized to a greater or lesser extent (Lindqvist, 2012; Maier et al., 2014). Undeniably, this is having a profound impact. Management tools and concepts are even spreading to institutions like the church and spheres of private life like marriage and the family (Vinten, 2000). Even the individuals should manage themselves, their career, love and sexual life, relationships, self-presentation (Drucker, 2008). Bookstores are full of self-management books and guides. Again, we do have historical explorations that focus on particular cases – the managerialization of the health sector in Italy or the managerialization of universities in Norway for example. We do lack, though, a broad-based historiography of the macro-trend – the progress of management as an institution into spheres that used to be organized according to different logics. This kind of systematic macro-historical and transnational exploration is a necessary first step for a critical analysis of the contemporary performativity of management.

The power dynamics of institutionalization

Another challenge for the historians of management in the coming years is to uncover the power dynamics of institutionalization and their transformation and evolution through time. Arguably, this project can run in parallel and in tight interconnection with the elaboration of a transnational history of the diffusion of management as an institution, which was called for above. I am singling out this dimension here as I would argue that it is particularly important that we do not miss it.

As management has been widely and broadly diffusing over the last half-century, it has indeed become a solid institution, in the sense of a stabilized cognitive and ethical frame, shaping the way we relate to the world and even who we are to a significant extent. This institution is a decidedly transnational one today. As an institution, a stabilized structuring frame, management is becoming less and less discussed and contested. In fact, it is more and more transparent to the actors themselves and it has an air of taken-for-grantedness. Partly as a consequence, management has become in the process increasingly depoliticized, in appearance at least. When management emerged, at the turn of the twentieth century in the United States, it was a tool of power for decision makers without ownership rights. They used this tool in their interactions with both labor and shareholders. Management, hence, was a highly political instrument. Then, after the Second World War, management was clearly constructed and presented as a geopolitical weapon. Management would bring wealth and prosperity to battered countries, it was claimed. Wealth

and prosperity would keep Communism at bay. In that context, management was a major weapon of the Cold War, and again a highly political tool.

Since then, however, the evolution has clearly been towards claims of neutrality and scientific 'purity'. Management on the whole presents itself as preoccupied only with efficiency questions, not power issues. The institutionalization of management and its broad social inscription through powerful mechanisms of socialization such as education have facilitated the neutral and de-politicized reinvention of management. Elite formation across the world implies, today, some training in management, in one form or another – and this is true of elite formation in general not merely of economic elite formation. Naturally, management is in reality neither neutral nor depoliticized. It has never been and will never be. If anything, the thriving field of critical management studies shows that very well (Alvesson et al., 2009). This critical perspective, however, would certainly be enriched by an historical exploration of the power dynamics at work over the *longue durée* in the double process of diffusion and institutionalization of management.

These dynamics and their nature have changed quite significantly through time, as I suggested above. Initially, the nexus for power dynamics was the legitimacy of decision makers without ownership rights – those people who came to be called managers. Management as a practice and as a body of knowledge became a legitimizing institution and clearly served, in that period, the interests of this new group of white-collar men. After the Second World War, management as an institution was upgraded, as it were, and turned into an instrument of (Cold) warfare mobilized by the US government and a number of private foundations and firms. The nexus of power dynamics then was the geopolitical fight between the United States and the USSR and the 'clash of civilizations' that was apparently associated with it. With the neoliberal turn, the nexus of power dynamics appears to have become the link between financial markets and the rest of the world. Through mechanisms that still need to be uncovered, I have suggested above that management has completely been co-opted and integrated into contemporary financialized capitalism. Arguably, it has been transformed and harnessed so as to serve the interests of contemporary shareholders – who are themselves most of the time large corporations (Palpacuer et al., 2011). Furthermore, the cobweb-like reach of management and management systems is such today that it is probably more apt to talk of hegemony rather than power. Management has become today a sprawling regime of disciplinary practice and discourse (Foucault, [1979] 2010) that inscribes the power and interests of financial shareholders at the very heart of our selves, our organizations and even our states. The work of historians would be highly welcome to illuminate the processes and the mechanisms through which the nature of power dynamics inscribed within management as institution has come to change through time in such a consequential way.

A few concluding words

A rapid historical tracking of the modern English term ‘management’ seems to suggest a borrowing from an early use in Italian and in French. The Italian word *maneggiare* – obviously closely connected to the etymology presented above, to act or to lead with one’s hands – was used in the seventeenth century already and meant ‘to control’, ‘to keep in one’s hands’, initially with respect to a horse. In France, the term *manège* was coined at about the same time to refer to both the place and the associated practices where horses were being trained and reined in. Another possible influence can be the French term *ménagerie*. That word was used mostly in the first part of the eighteenth century to signify ‘keeping house’ (a *ménage* being a household). Keeping house in that period generally implied husbandry and taking care of domestic animals – hence we find here a parallel notion to the words *maneggiare* and *manège* in the sense of leading and controlling animals. It is unclear exactly how and in which conditions the word ‘management’ was coined in English – but it certainly was historically connected to those Italian and French ancestors. The fact that the word we use today to talk about the organization and control of human beings and their activities has its roots in words that had initially been coined and used to refer to the control of animals is somewhat disturbing. It also suggests, though, that a conceptual genealogy of the term management is overdue.

Conceptual genealogy is a history of concepts understood as ‘mental representations of the categories of the world’ (Adcock, 2005: 3). It is a history of successive ‘interpretations’ pointing to different ‘systems of rules’ and regimes of power (Foucault, 1984: 86). A naturalistic and a-historical use of concepts places major limits on our understanding of social reality, leading to problems such as theoretical inadequacy, confusion in analysis and dubious validity of the concepts used. A deeper understanding implies that we are able to trace the alternative interpretations of concepts shared by historical agents in different ‘situations’ (Palonen, 2002: 103). Hence, an exercise in conceptual genealogy should not only lead to a deeper understanding of a particular concept, but should also fragment and disturb what we generally see as the foundation of our current ideas and practices (Miller and O’Leary, 1987: 238), and in the process open up the possibility of acting upon the social, economic and political reality. Recently, scholars in different disciplines have begun to use the genealogical approach to study a range of concepts central to our contemporary world: standard costing (Miller and O’Leary, 1987), poverty (Dean, 1992), sovereignty (Bartelson, 1995) or limited liability and moral hazard (Djelic and Bothello, 2013). We need to do this very soon for such a key word as ‘management’.

Towards the end of the eighteenth century and more clearly in the nineteenth century, the French word *ménagerie* became detached from its original association with the economy of the household and morphed to refer then only to a place where animals were being taken care of and controlled – or in reality failed to be controlled! Today, the word is used mostly symbolically to suggest mayhem and

chaos – a *ménagerie* in other words is more often than not a ‘zoo’ in the real as well as in the symbolic sense. This would tend to suggest that the project of ‘leading’, ‘controlling’ and ‘guiding’ animals associated with the early notions of *manège* and *ménagerie* may have been an illusion. A conceptual genealogy could help us explore whether this has also been the case with management!