COMPARATIVE MANAGEMENT

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MEANING

• Comparative Management is the identifying, measuring and interpreting of similarities and differences among managers’ behaviours, techniques followed, and practices applied as found in various countries.

• It focuses on the similarities and differences among business and management systems from different contexts.
MEANING

• An important influence in the conduct of management is the total environment.
• The fundamental functions of management denote what a manager does whether in U.S., U.K. and Nigeria.
• However, what is trying to be achieved and the means being followed for achievement can and do differ among countries.
• This is largely because of managers’ beliefs, attitudes, experiences, customs and values.
REASONS FOR STUDYING COMPARATIVE MANAGEMENT

• It helps the realization that there are managerial differences across nations. A manager going overseas, a researcher and to the student of management will find it very valuable.

• Ideas helpful for improving management can be obtained e.g. knowledge of how Sweden handles relations may prove helpful to the U.S. manager. Again, the transfer and utilization of the managerial idea is expedited.
REASONS FOR STUDYING COMPARATIVE MANAGEMENT

• Facilitation is given world understanding and trade. Simply getting to know how managers in foreign countries do their tasks makes not only for better understanding, but also expedites trade and cooperation.

• The effectiveness of management is increased because willingness to accept change is encouraged and the opportunity to see how similar problems are solved in different manners is offered.

• Development of skills necessary to understand their and our ways of management are encouraged.
According to Negandhi[1975:334]

There is no one way of doing things. The principle of equifinality applies to the functioning of social organizations; managers may achieve given objectives through various methods.
MAIN RESULTS OF COMPARATIVE MANAGEMENT RESEARCH

• There is no universal applicability of either authoritarian or participating-democratic management styles. In general the United States can best be characterized as following democratic-participative style, while Germany, France, and most of the developing countries are authoritarian in their management style. The authoritarian style is not necessarily dysfunctional in developing countries. This perhaps may be the "right type" of leadership.
MAIN RESULTS OF COMPARATIVE MANAGEMENT RESEARCH

• More objective measures are brought to bear in making managerial decisions with respect to compensation, objectives, goal setting, etc., in the developed countries; subjective judgment (emotions, religious beliefs) often enters the decision making processes in the developing countries.
MAIN RESULTS OF COMPARATIVE MANAGEMENT RESEARCH

• There are similarities and differences among the managers around the world. Similarities are explained in terms of industrialization or the industrial subculture. Differences are explained in terms of cultural variables. The cultural factors are considered the most important influencing variables.
DIFFERENCES

• **Customs**: - Customs are important in comparative management. This is because there are diverse customs.

• For example in many foreign countries, it has been a custom to take considerable time before a decision is made on a business proposal. Some countries place a high priority on exact promptness, while in others it is relative.

• Again in others haggling over a price is expected. Yet in others friendship rank high and doing business with relatives and close family friends has priority.
DIFFERENCES

• **Social Value**: These are also extremely important in comparative management. They influence to a great extent how the management task is carried out. Examples are:-

• In Japan, personal qualifications are given much weight in recruiting. Minimal job mobility is the general rule, retirement at the age of 55 is desirable, women are employed in great numbers, but most are considered temporary
DIFFERENCES

• In India, social values are very important in the management styles. The varied racial origins and languages have their effect, but the family system has great influence and is the foundation on which many companies are based. Nepotism is widespread and formal authoritarianism is the usual practice.
DIFFERENCES

• Selection and Promotion of personnel:
  • Japan
  • Candidates are sought who not only have the required skills or potential for the work, but also conform to the view points of members of the company. Through referrals, interviews and tests, potential employees with ideas and desire at variance with those of the company are excluded from selection.
DIFFERENCES

• A recruit is normally on probation for the first two years not a permanent employee.

• Must have a degree from the ‘right’ school, because many of the large and prestigious Japanese corporations recruit primarily from these schools.
DIFFERENCES

• Though entrance exams are rigorous and include comprehensive and difficult questions, any person can apply regardless of family background – opportunity for upward economic and social mobility is available.

• Promoting is handled informally with attention and judgement given mainly to the person’s family and contributions made to the company. Few Japanese companies use a performance rating system.
DIFFERENCES

• **In Europe**

• When a person retires everyone knows who the successor will be. Promoting reaches down the line for the one who is advanced. The general practice is to wait for your superior to retire, and then promotion comes.

• But there are so many exceptions to this mundane approach. For example, the younger generations are reacting rapidly to it, by insisting that ability should be considered. Seniority alone is inadequate and inequitable.
DIFFERENCES

• **Participative decision making**: In almost all foreign countries we are seeing more participation by the employee in decision making. This is because the employee wants to feel associated with the decision making process of the enterprises for which she or he works.

• Around the world there now exists variety of degrees and ways in which employees participate in managerial decisions that affect them.
DIFFERENCES

• In Japan for example decision making is by consensus or *ringisei* – Japanese spend much time on finding out what others are thinking and how they feel about issues.

• The prevailing belief is that the Japanese manager must know how subordinates feel about a certain issue; otherwise one cannot maintain the peace and harmony of the group. Again a decision is always started by an employee at a low level in the organisation.
Similarities and Differences between Arab and American Managers
END OF COURSE
WRITE AN ESSAY OF NOT MORE THAN TWO PAGES ON THE SIMILARITIES AND DIFFERENCES BETWEEN NIGERIAN MANAGERS AND MANAGERS OF A COUNTRY OF YOUR CHOICE