ASSESSING THE IMPACT OF CLASSICAL THEORIES ON THE CURRENT MANAGEMENT PRACTICE IN NIGERIA

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Abstract
The paper sought to assess the extent of application of the Scientific Management, Administrative and Bureaucratic Theories in Nigeria organizations and the effects of the application to the progress, development and growth of these organizations. Descriptive research method, especially survey research was employed in carrying out the study. Three hypotheses were tested using chi square and linear regression. A sample size of 177 was generated using the Raro Yamane formular for sample size determination; stratified sampling technique was used in the distribution of the questionnaire for data collection. Frequency tables using simple percentages were used for analyses of the data generated. The study revealed that the application of the scientific management, Administrative and Bureaucratic Theories in management of various organizations contributed to waste, labour turnover, layoff of workers, slow pace of organizational growth and development and low productivity in the organizations. The study concluded that given the present performances of Nigerian organizations, more need to be done in the way the classical management theories were applied. Workers will be more motivated to perform in a conducive work environment. It was recommended that, for organizations to achieve the objective of effective and efficient productivity, they must understand, accommodate, embrace and promote people dynamics. Organizations should also review periodically their rules, regulations and manuals to ensure current trends in the business, environment. Finally, organizations should allow for initiative, innovations and workers participation in decision making.

Keywords: Classical, management, theory, organization

Introduction
The study of classical management thoughts which are set of concepts that started in 1800s took theirroots in the study of organizations. The effect of set of theories of organization has been and is still profound. The effects are seen virtually in all complex organizations. The word that is said most about the classical view of organization is “structure” (The structure of formal organization). An organization is defined as a formal association of individuals with a common purpose and with a stipulated objectives to attain underauthority and leadership (Onwuchekwa, 1993). An organization is also defined as the structure of theirrelationships, powers, objectives, roles activities, communications and other factors that exits when people work together (Ile,1999). Scientific Management, Administrative theory and the Theory of Bureaucracy are the three streams of classical management theories that have stressed this point of view. Therefore the classical theories were developed in three streams viz:

The Scientific Management theory developed by Fredrick Winslow Taylor (1856 – 1915)

The Administrative Management theory, developed by Henri Fayol (1841 -1925) and

The Bureaucratic Management theory, propounded by Max Weber (1864 -1920).

The three streams of thought were founded on similar assumption; the practical effects of the three are essentially the same, in that they were founded on similar assumptions. The practical effects of the three are essentially the same in that they were developed about the same time. (1900 -
1950). However, each of the three streams was developed by separate groups of writers working almost totally independent of each other.

The Scientific Management Theory formulated by Fredrick (1856 -1915) and others like: Henry L. Gant (1861-1919), Frank B. and Lillian M. Gilbert (1868-1972) respectively, focused on the need to increase productivity, especially in United States of America. Where skilled labour was in short supply at the beginning of the twentieth century. It was the belief of the Scientific management Developers that, the only way to increase productivity was to increase the efficiency of workers.

The Administrative Management Theory, developed by Henri Fayol (1841 - 1925), was mostly out for the need to find guideline for managing a complex organization such as factories. He therefore concentrated on authority and its implementation in work place. He developed five functions of management, which include: plan, Organization, Command, Co-ordinate and Control, with 14 principles that he saw as common to all organizations.

The theory of Bureaucracy developed by Max Weber( 1864 -1920), focused on position in an organization, which he believed should follow the principle of hierarch ( each lower office being subject to the control of a higher one) i.e. organizations must strictly define its hierarchy, governed by clearlydefined regulations and lines of authority (Stoner, et al, 1992).

Statement of the problem

The three streams of thought that made up the classical management theories were formed on a similar assumption and the practical effects of them were essentially the same (Iie, 1999). These theories were mostly concerned with increase in efficiency and production (lower cost s of production and increase in profit). By this, they were interested in certain principles and practice that will ensure effective and efficient operation in any given organization for achieving a good relationship between the employers and employees that will ensure smooth achievement of organization goals and objectives.

However, inspite of the fact that these theories which are still in practice, are widely accepted, achievement of organizational goals of total efficiency in these organization is still a mirage.

1. The present level of waste and labour turnover in organizations indicate the inadequacies of these principles in today’s management practice.

2. The lay-off of workers on yearly bases by indigenous organizations. The slow pace of growth and development of these organizations such as the Nigerian breweries plc, Enugu, Emenite ltd, Enugu indicate the short falls of the theories to the, current management practice in Nigeria.

3. The complete close down of organizations due to non-performance, goes a long way to show that, though classical management theories are still in practice today, desired objectives of organizations in Nigeria are far from being achieved. Could it be that the theories are not being properly applied in these organizations? The organization like the Sunrise flour Mill, Enugu and the Nigeria Cement Company Limited, Nkalagu (NIGERCEM) has been closed down for years now and their workers thrown to the labour market.

The main objective of this study is to find out the effects of classical management theories on current management practice in Nigeria organizations.

Review of related literature

Conceptual issues

A theory is a coherent group of assumptions put forth to explain the relationship between two or more observable facts which can be used to provide a sound basis for predicting future events(Stoner el al, 1992). It is a systematic grouping of interrelating ideas. Whose tasks are to tie together and to give a framework to significant knowledge (Koontz el al, 1980). From the foregoing, one can say that theory can be defined as a structure of fundamental concepts and ideas...
around which knowledge in a field are organized, it is also a proposition, idea or assumption put forth by an individual or group of individuals on how a particular management problem can be solved.

A confirmed theory can therefore become a principle (Ile, 1991). Therefore, studying theories of management becomes important due to the fact that, it shapes our views of organizations, guides management decisions and provides a source of ideas as it gives chance to take a different view of every situation. The major assumption under the classical theory of organization and management is that human beings are motivated to perform through financial inducement. This view is still relevant in today’s management practice.

Development of management theories before the Industrial Revolution

The systematic study of management as a separate branch of knowledge started of recent, but the practice is as old as human society, (Ile, 2002), states that- “Management is as old as human organization”. It is important to note that man has been making decision about what to do and how to do it in the past. Before the advent of industrial revolution in Europe about 1750 -1850, the human society engaged in crafts and took care of their micro Organizational units, called families by producing crafts of one unit or the other, therefore the system of production was based on handicraft system. This system entailed staying at homes and producing one thing or the other, hunting, gathering and farming. The output of these endeavors were used for the family sustenance and any surpluses exchanged with neighbors for other items (this is called Trade by barter). During that time, man was able to manage his family. This is to say, that, management started from the olden days. An analysis of this period shows that as life continued, management and organizing is quite old. Therefore it could be traced that several attempts were made over the years, to explain theories and principles of organization and management as we have them today.

Development of management theories during and after the Industrial Revolution

From the fore goings, one understands that, before the industrial revolution, production system was based on handicraft, hunting, gathering and farming. But, during and after the industrial revolution, there became great changes in organization of industries and methods of productions. During these periods, machinery replaced the handicraft system of production. It occurred in about the 18th century. This is to say that the industrial revolution brought about the factory system of production, which entailed:

(a) Workers, raw materials, machinery and equipments were concentrated under a roof or group of buildings used exclusively for production.

(b) There were centralized control of labour, raw materials, production and output.

(c) There were a clear distinction between the Employers and Employees. The result of the industrial revolution was rapid development of factory system, which gave rise to large scale production as specialized machines were used in sequence to perform operations. This created complex management problem of combing and coordinating the factors of production. The managers at this period were usually autocratic, forceful and self-trained. They relied so much on intuition and rule of thumb practices and procedures. The increase in scope and complexity of business organizations as a result of industrial revolution created additional management problems, created by the industrial revolution, people started investigating and developing a new concepts relating to management of organizations. Thus a set of concept about organization began to extensively develop. In fact modern management theories and principles date from the introduction of the factory system. Techniques for financial control, incentive payment schemes, planning systems and investment appraisal methods were rapidly developed and applied. The works of Fredrick Winslow Taylor father of Scientific Management Theory. Henri Fayol father of Administrative Theory and Max Weber the proponent of Bureaucracy stand out clearly in this regard. From the writing of these authorities called the classical Management Thoughts, other theories and principles of Management were developed.
The Classical Management theories

The Scientific Management Theory

Koontz et al, (2005) states that many different writers and practitioners have resulted in different approaches to management and these make up a management theory jungle. This is to say that although Fredrick Winslow Taylor, (1856 – 1915), was known and acknowledged as father of scientific management; he was not alone in this area, other notable contributors of this theory were Henry L. Gant (1861 -1919), Frank B. and Lillian M. Gilbert (1868 -1924) and (1878-1972) respectively. These people and their works were presented in this section and are linked to current management practices in Nigeria.

(a) Fredrick Winslow Taylor: In 1911, Taylor published his famous work titled “Principles of Scientific Management”. In this work, he advocated that Managers should gather together all the traditional knowledge possessed by work men and then classify and reduce them to laws, rules and formulæ. They should then develop a “science”, for each element of man’s work to replace old rule of thumb methods and scientifically select and train workmen in the new methods. He also stated that managers should take over certain tasks. Such as planning and scheduling of work, which were previously left to the workmen to cope with as well as they could? Koontz el al (2005) states that the fundamental principles, that Taylor saw underlying the scientific approach to management are as follows:

(a) Replacing rules of thumb with science (organized knowledge).

(b) Obtaining harmony, rather than discord in group actions.

(c) Achieving Co- operation of human beings, rather than chaotic individuals.

(d) Working for maximum output, rather than restricted output.

(e) Developing all workers to the fullest extent possible for their own and their company’s interests, Stoner et al (1995), also contented that Taylor rested his philosophy on four ba’ principles:

1. The development of true scientific management, so that the best method for performing each task could be determined.

2. The scientific selection of workers, so that each workers would be given responsibility for the task for which he was best suited.

3. The scientific education and development of workers.

4. Intimate, friendly co-operation between management and labour.

It was the belief of Taylor that, if management and labour are together for the achievement of an increase in production, profit will be raised to the extent that labour and management will no longer fight over profit. This management system of Taylor was based on production-line time studies.. He used time studies by breaking down each job in the production line into various components and designed the quickest and best methods of performing each component. He then established how much workers should be able to do with the equipment and materials at hand and also encourage employers to pay higher rate to move productive workers than the lower productive workers using a scientific rate that would be beneficial to both company and the workers. This wage rate was called “Differential Rate System “by Taylor.

Inspite of Taylor’s great theories which contributed immensely to dramatic increases in productivity and pay, it was however criticized in the following ways.

1. Workers and labour unions believed that the approach of working faster and harder would exhaust whatever work that was available and may lead to layoff of workers; the idea of close supervision of workers implies lack of initiative.

2. It was also criticized that undue pressure were being placed on workers to work even than their capabilities
The emphasis on increase in efficiency and productivity led the managers to be more autocratic and exploitative to workers and customers. The use of stop watch and piece rate system tends to be dehumanizing as it subjects workers to strains and unfair practices.

His emphasis was more on efficiency at the shop level through the application of time and motion study. His literature on management has become shop management as a result; he lost sight of general aspect of management. Hence, Ernest Dale called him the father of industrial engineering rather than scientific management.

Henry L. Gant who was born in 1861, who also worked with and for Taylor between 1880 and 1901 and who also became a consulting engineer, made available his version of scientific management to client companies. He introduced task and bonus system of incentive pay (here workers who reached set standard were given bonus) This was more widely accepted than Taylor’s differential piece Rate System. This is still profound in today’s management practice.

Other followers of Taylor were Frank B. Gilberth and his wife Lillian M. Gilbreth who stressed that management system should always be written. They did this by refining motion and time study to a high stage of development in their pursuit of the one best way “they were known for their contribution in time and motion studies. They identified seventeen basic elements in on the job motion which they called therblings, they emphasized the human factors in management and advocated the study of “ human sciences”, not only in touch with engineers and the leaders in natural sciences but al so the economists, sociologist, psychiatrists etc” Gilbreths’ book. “Cheaper by the dozen”, added to make them much popular. Their contribution of the development of flow chart or scale which highlighted the need for breaking an operation into units and steps for different employees to perform is an added advantage. The scale is used to base judgment or remunerating those who performed above or below standard. 

The Administrative Theory

Henri Fayol (1841-1925) was a French Engineer, His key work was Administration industrielle et Generate (General industrial Administration) 1916. He belonged to the classical school of management theories and was writing and exploring administration and work about the same time as F.W. Taylor in USA. Fayol was concerned with authority and its implementation in the organization. He then advocated a consistent set of principles that all organizations need to run properly.

According to stoner et al (1995). While Taylor was basically concerned with organizational formations, Fayol was interested in the total organization and focused on management, which he felt had been most neglected of business operations. Fayol believed that sound management practice falls into certain identifiable five functions. These functions are: plan, Organize, Command, Co-ordinate and control. From this insight, he drew up 14 principles that he saw as common to all organizations as follows; Specialization and division of labour, Authority with corresponding responsibility, Discipline, Unit of command, Unit of Direction, Subordination of individual interest to the General interest, Remuneration of personnel, Scalar Chain, Centralization, Order, Equity, Stability of Tenure, Initiative and Espirite de corps.

The Bureaucratic Theory

Max Weber (1864 - 1920), a German Sociologist in his work, developed a theory of bureaucratic management that stressed the need for strictly defined hierarchy, governed by clearly defined regulations and lines of authority. According to stoner et al (1995), Weber considered the ideal organization to be a bureaucratic whose activities and objectives were rationally thought out and whose division of labour were explicitly spelt out. It is also in the opinion of Weber that, competence and evaluation of performance should be based on merit. His conclusion was that bureaucratic leadership was in indispensable for the mass administration required in modern society (Albers, 1974). The model presented by Weber recognized the functional properties of a Bureaucratic system but failed to see the importance of informal organizations. Weber’s view for bureaucratic
organization is necessary in modern business practice as a prerequisite for efficiency. It has a lot in common with scientific management school which laid emphasis on rigid application of scientific principles to work. Critics have heaped all kinds of challenges on it, excessive red tape, inflexibility, authoritarianism and general lack of face (Eze, 1998:54). Critics of bureaucracy argued that the typical response to any new problem in a bureaucratic organization is to create new rules or procedures. Therefore, instead of finding creative solutions to problem, the bureaucratic organization and the people in it spend valuable time following rules and procedures. No wonder Thompson (1961) stated the dysfunctions of bureaucracy to include rigidity, impersonality, displacement of objectives, limitation of categorization, cost of controls, self-perpetuation, empire building and anxiety.

Strict adherence to regulations produce timidity, conservatism and technicism. Persons can legally avoid responsibility for accomplishing organizational objective by such odd bureaucratic sabotage as operating within the strict letters of rules. Therefore initiative is restricted by rules and regulations. Any organization that adopt these, make innovation and introduction of major changes impossible and this can lead an organization to be obsolete, Eke et al (2009), in Nigeria journal of Management Research states that, “Nigeria as a developing country is said to be poor, because its economy has refused to grow. The problem of growthlessness or development distortion can be attributed to lack of basic requirements”. This is to say that rigidity has the capability of not allowing organization to seek that, which will enable it take proactive decisions for greater productivity. However, Ekeng et al (2009), writing in journal of policy and development studies states that, “Culture is important to organizations because as individuals act shared values and aspect of organizational culture, their behaviours can have significant impact on the organizational productivity”. Therefore it is expected that all the theories must recognize that, the modern day management recognize that management is culture bound.

Comparison of the scientific, administrative and bureaucratic theories of management

The three streams of classical management theories namely the Scientific, Administrative and Bureaucratic, are comparable and complementary (Ille,1999). The focuses of their views were about the nature of man and his organization. The theories advocate for formal organization that takes advantage of specialization and hierarchical functional criteria to increase efficiency in achievement of organization objectives.

The differences were in the following areas:

1. As the Scientific management focused its unit of analysis on the physical activities of work, the Administrative theory focused on practical men in action and are called practicing Managers, their major orientation was the prescription of principles and other concepts of achieving. Formal organization while Bureaucracy took a comparatively detached and scholarly view that described them as normative model of organizations.

2. While Scientific management was concerned with the relationship of a worker to his job in organization, with the objective of improving performance of routine production task, the Administrative Theorists were telling how to accomplish an organization and the Bureaucratic theory said what an organization ought to be.

3. The Scientific management focused on production, Administrative theories laid emphasis on management as a component of the organization and Bureaucracy focused on the organization as a whole.

4. Scientific management can be thought of as a bottom – up theory, while the Administrative and Bureaucratic theories in a comparative sense are top-down theories.

5. The prescriptions of Administrative and Bureaucratic theories were distilled from experience, while the prescriptions of Scientific management were derived from specific studies in each case.
Data analysis

The study was carried out primarily through the survey method and interview of employees in three manufacturing firms in Enugu State, Nigeria which include primary and secondary data obtained through questionnaire, interviews, books, journals, and internet. A sample size of 177 was obtained from the population of 320 at 5% error tolerance and 95% degree of freedom using Yamane’s statistical formula. 158 (89%) of the questionnaire distributed were returned while 19 (11%) of the questionnaire distributed were not returned. The questionnaire was designed in likert scale format.

The researcher conducted a per-test on the questionnaire to ensure the validity of the instrument. Data collected were presented frequency tables.

The data obtained from the field were presented and analyzed with descriptive statistics to provide answers for the research questions, while the corresponding hypotheses were tested with Pearson’s correlation and linear regression at 0.05 alpha level.

Do the current waste and labour turnover in Nigeria organisations arise as a result of the practice of classical management theories?

Table 1: Coded responses on classical theories and level of waste and labour turnover

<table>
<thead>
<tr>
<th>S/N</th>
<th>Questionnaire items</th>
<th>S.Agree/Agree freq</th>
<th>S.Agree/Agree %</th>
<th>Disagree/S.Disagree freq</th>
<th>Disagree/S.Disagree %</th>
<th>Undecided freq</th>
<th>Undecided %</th>
<th>Total (freq)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Some of organizational wastagings are cause by application classical management?</td>
<td>140</td>
<td>89</td>
<td>10</td>
<td>6</td>
<td>8</td>
<td>5</td>
<td>158</td>
</tr>
<tr>
<td>2</td>
<td>Classical management contributes to labour turnover in our organization?</td>
<td>152</td>
<td>96</td>
<td>2</td>
<td>1</td>
<td>4</td>
<td>3</td>
<td>158</td>
</tr>
<tr>
<td>3</td>
<td>Total</td>
<td>292</td>
<td>12</td>
<td>12</td>
<td>12</td>
<td>316</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Field survey 2014

According to table (1) based on aggregate response 292 (92%) indicated strongly agree, 12 (4%) indicated disagree while 12 (4%) indicated undecided. This implies that classical management theories significantly contribute to level of waste and labour turnover in Nigerian organizations

HI: Classical management theories contribute significantly to the level of waste and labour turnover in Nigeria.
Table 2 Chi – square test on classical theories and level of waste and labour turnover

<table>
<thead>
<tr>
<th>VALUE</th>
<th>DF</th>
<th>ASYMP.SIG.(2-SIDED)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Chi-square</td>
<td>160.335(a)</td>
<td>8</td>
</tr>
<tr>
<td>Likelihood Ratio</td>
<td>193.493</td>
<td>8</td>
</tr>
<tr>
<td>Linear-by-linear Association</td>
<td>4.975</td>
<td>1</td>
</tr>
</tbody>
</table>

N of Valid Cases 316

Source: SPSS

Table 2 is the output of the computed Chi-Square values from cross tabulation statistics of observed and expected frequencies with the response options of agree to disagree based on the responses of the research subject from the manufacturing firms in Nigeria. Pearson Chi-Square computed value ($X^2_0 = 193.493$) is greater than the Chi-Square tabulated value ($X^2_t = 15.51$) with 8 degrees of freedom (df) at 0.05 level of alpha ($X^2_0 = 193.493$, $p < .05$)

Decision rule

The decision rule is to accept the alternate hypothesis if the computed Chi-Square value is greater than tabulated Chi-Square value otherwise reject the alternate hypothesis.

Decision

Since the Pearson Chi-Square computed $X^2_0 = 193.493$ is greater than Chi-Square table value $X^2_t = 15.51$, the null hypothesis is rejected and alternate hypothesis is accepted. Thus, we conclude that classical management theories contribute significant to the level of waste and labour turnover in Nigeria.

Does the application of classical management theories influence layoff of workers, slow pace of growth and development of Nigeria organizations?
Table 3: Coded responses on classical management theories and layoff of worker, slow growth and development

<table>
<thead>
<tr>
<th>S/N</th>
<th>Questionnaire items</th>
<th>S.Agree/Agree Freq</th>
<th>S.Agree/Agree %</th>
<th>Disagree/S.Disagree Freq</th>
<th>Disagree/S.Disagree %</th>
<th>Undecided Freq</th>
<th>Undecided %</th>
<th>Total (freq)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Classical management theories cause lay off workers in our organization?</td>
<td>148</td>
<td>94</td>
<td>2</td>
<td>3</td>
<td>7</td>
<td>4</td>
<td>158</td>
</tr>
<tr>
<td>2</td>
<td>Slow pace of growth and development are effect of classical management in our organization</td>
<td>152</td>
<td>96</td>
<td>2</td>
<td>3</td>
<td>3</td>
<td>2</td>
<td>158</td>
</tr>
<tr>
<td>3</td>
<td>Source: Field survey 2014</td>
<td>300</td>
<td>6</td>
<td>19</td>
<td></td>
<td></td>
<td></td>
<td>316</td>
</tr>
</tbody>
</table>

According to table (3) based on aggregate response 300 (95%) indicated strongly agree. 6 (2%) indicated disagree while 11 (3%) indicated undecided. This implies that layoff of workers, slow pace of growth and development are influenced by classical management theories on Nigeria organizations.

Table 4 SPSS result of the influence of classical management theories on layoff of workers slow pace of growth and development

<table>
<thead>
<tr>
<th>Particulars</th>
<th>R</th>
<th>R²</th>
<th>ADJ.R²</th>
<th>DDW</th>
<th>Stand Coefficients</th>
<th>Ssig</th>
</tr>
</thead>
<tbody>
<tr>
<td>Firms</td>
<td>0.638</td>
<td>0.407</td>
<td>1.03387</td>
<td>0.253</td>
<td>-0.638</td>
<td>-10.339</td>
</tr>
</tbody>
</table>

Source: SPSS
Note:

\[ R \] = Correlation Coefficient or Beta

\[ R^2 \] = Coefficient of Determination

\[ \text{Adj.} R^2 \] = Adjusted Coefficient of Determination

Dw = Durbin Watson (d) test statistic

\[ T - yx \text{Value} \] = Student t – test Statistic

\[ F \] = f – test statistic

Model Equation CMTH = 0 - 571 - 0.932LGD

The result indicates that there was a negative significant effect of classical management theories on workers layoff, slow pace, growth and development as \( t = -10.175 \) and which is above the rule of thumb positivity by the model as indicated from the coefficient of the determination (\( r^2 \)) value of \(-63.8\%\).

Also the result indicates that there is a negative relationship between classical management theories and layoff of workers, slow pace and development as indicated by \( r \) value of 0.614 which is negative as shown by beta value of 0.614.

Could the closure of some of the organizations be as a result of the application of the theories in the management practice of the organizations and could the application result in low performance of an organisation?

Table 5: Coded responses on classical management theories and low performance

<table>
<thead>
<tr>
<th>S/N</th>
<th>Questionnaire items</th>
<th>S.Agree/Agree</th>
<th>Disagree/S.Disagree</th>
<th>Undecided</th>
<th>Total (freq)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>freq</td>
<td>%</td>
<td>freq</td>
<td>%</td>
</tr>
<tr>
<td>1</td>
<td>Closure of some of the Nigeria organizations were caused by the application of the theories in management practice organization</td>
<td>154</td>
<td>97</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>2</td>
<td>Closure of some of the Nigeria organizations were not caused by the application of the theories in management practice organization</td>
<td>17</td>
<td>11</td>
<td>134</td>
<td>85</td>
</tr>
<tr>
<td>3</td>
<td></td>
<td>171</td>
<td>135</td>
<td>10</td>
<td>316</td>
</tr>
</tbody>
</table>
According to table (5) based on aggregate response 171 (54%) indicated strongly agree, 135 (43%) indicated disagree while 10 (3%) indicated undecided. This implies that closure of some of the Nigeria organizations were caused by the application of the theories in management practice organization

Hi: closure of some organizations is as a result of the application of the theories in the management practice of the organizations and the application result to low performance of an organization

Table 6 Chi-Square Tests on closure and theories application

<table>
<thead>
<tr>
<th></th>
<th>Value</th>
<th>df</th>
<th>Asymp: sig.(2-sided)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Chi-Square</td>
<td>289.039(a)</td>
<td>8</td>
<td>.000</td>
</tr>
<tr>
<td>Likelihood Ratio</td>
<td>311.623</td>
<td>8</td>
<td>.000</td>
</tr>
<tr>
<td>Linear-by-Linear Association</td>
<td>114.154</td>
<td>1</td>
<td>.000</td>
</tr>
<tr>
<td>N of valid cases</td>
<td>316</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 6 is the output of the computed Chi-Square value from the cross tabulation statistics of observed and expected frequencies with the response options of agree to disagree based on the responses of the research subjects from the manufacturing firms in Nigeria Pearson. Chi-Square computed value ($\chi^2_c = 289.039$) is greater than the Chi-Square tabulated value ($\chi^2_t = 15.51$) with 8 degrees of freedom (df) at 0.05 level of alpha ($\chi^2_c = 289.039, p < .05$)

Decision Rule

The decision rule is to accept the alternate hypothesis if the computed Chi-Square value is greater than tabulated Chi-Square value otherwise reject the alternate hypothesis

Decision

Since the Pearson Chi-Square computed $\chi^2_c = 289.039$ is greater than Chi-Square table value $\chi^2_t = 15.51$, the null hypothesis is rejected and alternate hypothesis is accepted. Thus, we conclude that closure of some organization was as a result of the application of the theories in the management practice of the organizations and the application resulted to low performance of an organization.

Findings and discussions

From the data analyses, one could conclude that, the current practice of the classical management theories of scientific management, administrative and bureaucratic theories were responsible for the waste and labour turnover, layoff of workers, slow pace of growth and development and low productivity in Nigerian organizations as indicated by the three organization studied.

Though the practice of the Scientific Management Theory contributed very well to the dramatic increase in productivity and higher pay to workers, it placed undue pressure on workers, to work even more than their capabilities and this also made managers of organizations to be more autocratic and exploitative which lead to frustration of workers who sought for employment else were. A theory that laid emphasis on efficiency at shop
level, through the application of time and motion study, but lost sight of the general aspect of management definitely cannot sustain labour force and maintain effective and efficient utilization of resources.

The Administrative Theory contributed immensely to the principles and practice of management in modern time but laid much emphasis on task rather than the people, unmotivated work force. Hence productivity is a function of ability and motivation.

The Theory of Bureaucracy emphasized more on bureaucratic leadership in organizations for mass administration in modern society, recognizing the functional prosperities of bureaucratic system in formal organizations but failed to recognize the need for informal organizations in a formal setting.

**Conclusion**

Based on the foregoing, we therefore conclude that given the present performance of the Nigerian organizations, more need to be done in the way the classical management theories were applied, such that workers will be more motivated to perform in a conducive work environment. This will go a long way to increase the business efficiency of labour and happy working environment.

**Recommendations**

From the foregoing we therefore recommend as follows.

Organizations should reduce waste and labour turnover by introducing some other motivational tools in their work environment, such as embracing the behavioural science thoughts. Management should recognize the individual motivation, group behaviour and interpersonal relationship within and outside the work environment.

These will create understanding on part of workers and will encourage the workers, to work for the achievement of the entire organizational objectives, from where they will achieve their individual objectives.

Organization should maintain their labour force and increase growth and development by reducing the management’s undue pressure on workers, encourage workers use of initiatives, and allow innovations and workers participation to management through emphasis on cultural/political differences in the organizations. Joint management participation in decision making will increase productivity more than what obtained through the practice.

The management of organizations properly applies the theories as some aspects of it if properly applied will ensure the achievement of organizational objectives. The periodic review of manuals, rules and regulations of the organizations to ensure that the bureaucratic settings are in tune with modern trends in the business environment of the country will also help the future of the organizations.

Above all, the organizations must understand, accommodate embrace and promote people dynamics (nature, needs, values, motivations and general cultural/political environment differences), if it must achieve the objectives of efficient productivity. We believed that these will go a long way in reducing the negative effects of the theories on the organizational performances.

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