

Paper –Principles and Practice of Management

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Topic- Limitations of Systems Approach

Though systems approach possesses conceptual framework of much higher order as compared to other approaches, it may be emphasised that this in no way is the unified theory of management. Systems approach came in a big way in managerial analysis and raised the hope of becoming a general and unified theory of management. A general and unified theory can be applied to all types of organisations, presenting their comprehensive analysis so that those who want to study organisations from different angles can derive knowledge. This was exactly expected of systems approach. However, this promise could not be fulfilled because systems approach suffers from two limitations.

1. Abstract Approach. It is often suggested that systems approach is too abstract to be of much use of practising managers. It merely indicates that various parts of the organisation are interrelated. Similarly, an organisation is a social system and, therefore, is related with other organisations in the society. This is true and significant for managing. But it fails to spell out precisely relationships among these. Therefore, its contribution to managing is limited. For example, it is one thing to say that economic forces trigger social, technical and psychological changes in the organisation. But this is not enough for managing an organisation. What is required is a statement of what economic forces initiate what social technological, and psychological changes.

2. Lack of Universality. Systems approach of management lacks universality and its precepts cannot be applied to all organisations. For example, systems approach provides modern structural

forms, cybernetic system for control and communication. These systems are suitable for large and complex organisations but are not suitable for small organisations. Since most modern organisations are large and complex, it is argued that systems approach is applicable in general. This may be true but the role of a theory is not to prescribe actions for a particular category of organisations, rather, the theory should specify the relation among different variables which can be applied to all organisations.

If systems approach is seen in this perspective, some people believe that the approach is as incomplete as any other. In fact, they argue that this approach does not offer anything new. The managers have been doing their jobs seeing the problems as a network of interrelated elements with interaction between environments inside and outside of their organisations. Looking into these shortcomings of systems approach, researchers have tried to modify the systems approach. This attempt has led to the emergence of a separate, though related, approach, contingency or situational approach.