Evolution of Modern Business Management

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ABSTRACT
This article revisits the origin and growth of business management and its trends. It traces its history from the days of Koutalya of Pataliputra to the modern IT growth management through the Microsoft cloud computing. In Indian chronicle the growth of the branch of study since 1920s. After our independence emphasis shifted to human values and productivity through people. In recent times, HRM is transforming itself to Human Capital Management in Business Management. Globalization has reasonable influence on the Business Management functions. In the Information Technology age the business environment faces many potential challenges and it is compelled to respond suitably. In the age of information flooding the companies are no longer having the luxury of ‘information float’ but it is compelled to respond suitably. The solution to this is Cloud computing - general term for anything that involves delivering hosted services over the Internet.

Keywords--- Information Technology, Globalization, telecommunication, Internet, real-time, Innovation and Obsolescence, psumonical, e-management, contemporary.

I. THE HISTORY OF MANAGEMENT

Ancient Period
Kautilya’s Arthashastra, states that there existed a sound base for systematic, orderly and well defined Management of resources during early part of 4th century BC in ancient India. Elsewhere, in Human resources in organizations received the managements’ attention much earlier. As early as in 1800 BC itself, ‘minimum wage rate’ and ‘incentive wage plan’ were included in the Babylonian Code of Hammurabi.

Medieval Period
The history of Management has travelled a long way. It all started with merely ‘handling industrial disputes’. Then it grew into personnel management with managers of workers going beyond fire-fighting to such activities as welfare, wage administration, promotions, works councils, suggestion schemes and so on. In the meantime, it went up further from personnel management-the branch of study climaxed into Human Resource Management and rising the status of HR professionals to strategic partners and agents of change. In recent times, HRM is transforming itself to Human Capital Management in Business Management.

Emerging Contemporary Period
In 1970s, a shift in professional values started to emerge. It shifted from mere management to a focus of efficiency and Professional touch. In the 1980s, business Management Gurus talk about technologies, modern recruitment methodologies, HRM and HRD challenges. The most ultra modern professional management institutes IIPM and NILM clubbed together and there emerged National Institute of Personnel Management (NIPM). In 1990s, the emphasis shifted to human values and productivity through people.

Emergence of Globalization
Our Indian economy gradually drifted and integrated with the world economy. Globalization has reasonable influence on the Business Management functions. Here it is to be understood that technological advancement is also travelled side by side with the management of people in organizations. If Management’s role has been to render workforce support and management based on the needs of business, the role of technology has been one of the facilitator. During the past years, Management processes and procedures have been supported by everything from complicated file-folders systems to automation, going from usage of multiple systems and data bases to a single version of whole system. These are the modern days of ‘e-Management’ or the vital emerging trends of Information Technology in Business Management. Management professional needs to be aware of and well informed enough to adopt the ultra-modern technology for the benefit of the business world.

II. BUSINESS MANAGEMENT IN MODERN INFORMATION AGE
WE are very blessed to live in the Information Age, where fortune spring from modern thinking, innovative ideas, and the intelligent utilization of Information Technology. Otherwise it is known as ‘THE AGE OF INFORMATION TECHNOLOGY (IT)’. The Business management in the modern IT world must compete and meet a challenging global management and market place - that is undergoing drastic - changing, complex, worldwide, and highly competitive and customer centered. Business Management must violently and suitably reflect to the challenging opportunities and the problems arising out of the ultra modern business environment. Here I would like to mention emphasis that the business management environment means the totality of social, economic, legal, physical and emerging political trend that drastically affect business management and its vast business activities.

The speedy pace and magnitude of change affecting business organizations continue to accelerate, causing increased uncertainty in the business houses or companies and strategies. Therefore in the world companies are compelled to operate under increased manifold pressures to produce more with limited resources. For example, I would like to quote large business global organizational managements such as Microsoft, IBM, AT&T, General Electric and General Motors have restructured their organizations, giving pink slip to hundreds of thousands of workers, in an attempt to remain competitive in the recession global unfavorable market.

III. ‘THE NEED’- IS FOR REAL-TIME OPERATIONS

In the age of information flooding the companies are no longer have the luxury of ‘information float’ that is the time elapsed between when a business event occurs and when the information captured about the event reaches the necessary decision makers. High-speed and fastest performance telecommunications technologies can reduce this time lag to near null. In the same way the high-technologies make financial transactions to be nearly at once or instant. For most of the conventional businesses, were slow, paper – piling and mail – based transaction process has become history. Placing orders instantly and serving goods immediately, as could electronic payment and transfers receipts and documentation occurs simultaneously.

Well informed consumers are demanding even more professional and technical information about the products and better services. They insist what special features.

With all these advantages, continuing innovations with super computer technologies means faster obsolescence of consumer products, shorter life cycles, and going on increasing and improving quality standards with no end. And above all, advances in IT’s make consumers to be aware of innovations sooner, forcing companies to reflect more quickly or the risk of going out of the market. Electronic Data Interchange (EDI) has allowed the different IT- in Banking Business and other Business Missions

Information Technology is also playing a significant role in standardization of different processes in Banks. Banking Business has taken a major lead in part of few year after developing the IT. Now it has become possible to transfer the balance. Internet Banking, Teleservices and using Automatic Teller Machine (ATM). Time, effort and money required to monitor the business processes in the banks has been reduced drastically in part of few years. automated/computerized organizations to transfer the documents electronically. It has reduced the cost of transportation, reduced paper work, minimum human interaction and faster exchange of documents within the Information technology refers to all forms of technology applied to processing, storing and transmitting information in electronic form. The physical equipment used for this purpose includes computers, communication equipment and networks, fax machines and even electronic pocket organizers.

IV. APPLICATION IN BUSINESS MANAGEMENT

Information is data that has been processed into a form that is meaningful to the recipient and is of real perceived value in current or prospective decisions. In strategic planning the decision maker develops objectives and allocates resources to obtain them. Decisions in this category are characterized by long time periods and usually involve a substantial investment and effort. ‘The development and introduction of a new product’- is an example of a strategic decision.

An operation control decision covers the day-to-day problems that affect the operation of the firm – What should be produced today in the factory? What items should be ordered for inventory? A charismatic organization is dominated by a strong leader. This individual sets the goals of the firm and tends to make all decisions. His or Her decisions are hard to predict because this kind of leader often does not reveal plans to the rest of the organization. It is safe to say that the leader is likely to make the decision that subordinates then execute. An Internet application uses Internet standards to link host computers with user machines in client server architecture. The internet can be used to access external information and send electronic mail, or it can be connected with firms’ transactions processing systems to provide information to customers or to enter into electronic commerce.
V. FUTURISTIC - EMERGING TREND IN BUSINESS MANAGEMENT

Cloud computing

A cloud service has three distinct characteristics that differentiate it from traditional hosting. It is sold on demand, typically by the minute or the hour; it is elastic -- a user can have as much or as little of a service as they want at any given time; and the service is fully managed by the provider (the consumer needs nothing but a personal computer and Internet access).

Building Business Castle in the Air – comes true

A simple example of cloud computing is Yahoo email or Gmail etc. You don’t need software or a server to use them. All a consumer would need is just an internet connection and you can start sending emails. The server and email management software is all on the cloud (internet) and is totally managed by the cloud service provider Yahoo, Google etc. The consumer gets to use the software alone and enjoy the benefits.

Cloud computing is broken down into three segments: "applications," "platforms," and "infrastructure." Each segment serves a different purpose and offers different products for businesses and individuals around the world. In June 2009, a study conducted by Version One found that 41% of senior IT professionals actually don't know what cloud computing is and two-thirds of senior finance professionals are confused by the concept, highlighting the young nature of the technology. In Sept 2009, an Aberdeen Group study found that disciplined companies achieved on average an 18% reduction in their IT budget from cloud computing and a 16% reduction in data center power costs.

VI. CASE STUDY & CONCLUSION

TEA E-Readiness Centre in Tirupur has taken the initiative to provide ERP solutions on Cloud Computing to garment units.

COIMBATORE: A cluster of garment-making units in Tirupur, pre-dominantly small and medium-scale, will soon go in for Enterprise Resource Planning (ERP) offered on cloud computing.

An initiative of the TEA E-Readiness centre, the project looks at bringing vendors, manufacturers and buyers under a common system.

Viable alternative

In such a scenario, cloud computing is a viable alternative at a cheaper investment. Technology, management, among other tasks. These services are essential to the core business. With computerization, the SMEs can be pro-active, rather than reactive, in their core business. Several applications offered on cloud computing enable the industries to be more productive.

EPILOGUE

Buyers and manufacturers, Internet based marketing, intranet and extranet based information networks for both inter and intra-organizational support. The amount of electronically is very significant. Some 80billion US dollars change hands over Internet annually. By 2030 it is estimated roughly around 4 trillion US dollars, or one quarter of the world’s business economy. Obviously, Information Technology (IT) is a prophetic fore-warned Psunomical component of the e-Commerce and e-Business Management.

BUSINESS ALLIANCES IN CLOUD COMPUTING

In suitable and apt response to competitive pressure of the global economy, many top large business houses are realizing alliances with other large firms, even competitors can be highly beneficial. One of the most beneficial interesting type of alliance is the temporary joint venture, in which companies form a special company for a specific, limited-time mission. A more permanent type of alliance that links manufacturer, suppliers and finance corporations is known as -'keiretsu'(a Japanese terminology).Business Management alliances can be heavily supported IT ranging Cloud computing electronic data interchange to electronic transmission of business credentials.

Thus Business Management will emerge according to the new times and trends, which is a distinct ongoing process and not static.

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