

Methodical Approach of the XXI Centuries Mongolian Management Development Philosophy and Model

Batkhurel Gombodorj*

Abstract

This study provides to defining a management philosophy is important of the developing new century's management concept. "A","B","C" and "D" models of the management philosophy are defined the patterns of the USA, Japan, China and Sweden. Therefore, offered the alternate model of the Mongolian management philosophy and new century's management logic. Designed and formulated the theoretical basis of the "MM" theory, which is focused on how to lead Mongolians, whose way of living and thoughts are nomadic civilization. Although summarized and compared with Mongolian management's "MM" theory and "X","Y","Z" theories.

Key words: *Model, nomadic culture, thought, interest, logic, theory, concepts*

FOREWORD

It is already over 20 years for Mongolia after the transition from the centrally planned system into economic democracy however, the current condition requires the nation to develop in same speed as others matching the development approach of the 21st century and studying the worldwide business culture, classic and neoclassical theories in market economy and management. Mongolia, a country with quite long history and rich administrating and managing heritage of state, military, law and economy, is a nation that impacted on the civilization establishing its Great Empire. From this point of view, there is a facing issue to design an economic development of Mongolia, management concepts and philosophy, and Mongolian characteristics of management of the 21st century.

The study trying to analyze and evaluate the Mongolian management thought development in economics approach, nomadic culture and value of management thought of Mongolia, though to build the new management theoretical concept, philosophy and Mongolian management model in the 21st century.

*Author: Director of Computer Science and Management School of MUST

METHODICAL APPROACH OF MONGOLIAN MANAGEMENT PHILOSOPHY

The fundamental element of the concept designing of the new management development for a new century is to define the management philosophy. Management philosophy is a combined expression of an individual, group or public concept and thought, and their belief and interest to development and change of any system.

Concept of management philosophy is different in every country due to their decision-taking procedures on issues concern to national, organizational or individual interest and need, and defining their connection, implementation and mechanism. The principal concept is to resolve organizational facing issues co-coordinating national, organizational and individual interests by giving importance to the interest and supplying the connection of them properly. As a theory of organizational management philosophy, it is studied in three levels:

- National
- Organizational
- Leaders.

Any model of management philosophy for any organization and system shall be accepted by the people, supported by the state and shall be possible to be implemented by the government. In other words, the philosophical origin of the organizational policy by the state organizations shall meet the public concept and thought. This is the main requirement.

We have an idea that there are 4 different models of the management philosophy which are followed worldwide.

“A” model. The model that is popular in western developed countries focuses on an individual need and interest to decide any organizational management issues clearing out it how to adapt to a group’s need and interest and then the group’s interest to the national interest. Laws and all other relevant documents approved by the government meet the present concept of the management philosophy. The key representative of the management philosophy is USA and the management philosophy which is followed there is a model that respects individual interest.

“B” model. Organizational management philosophy of Asian countries adapt an individual interest to an organizational interest firstly, then national or social interest to an organizational. Then the two interests shall meet the organizational interest reversely. Asian countries utilize the principle in the decision-taking procedures on issues concern organizational facing management problems. The biggest representative of the B model is Japan and the management philosophy which is followed there is a model that respects group’s interest.

“C” model is a management philosophy based on principles to respect social right and interest. In the frame of the philosophy, facing issues are decided in a manner that to adjust social interest to a group interest, then the group’s interest is adapted to an individual interest which is also adjusted to the social interest. The biggest representatives of the C model are countries with centrally planned system. For example; People’s Republic of China. The management philosophy of China is a model that respects social interest.

“D” model is a very distinctive management philosophy that based on principle that respects social interest. The “D” model adjusts social interest to national and group’s interest, and then group’s interest is adapted to an individual interest which is adjusted to also social interest to decide facing issues on management. The representatives of the model are Scandinavian “democratic socialist” countries. Sweden management philosophy is included in

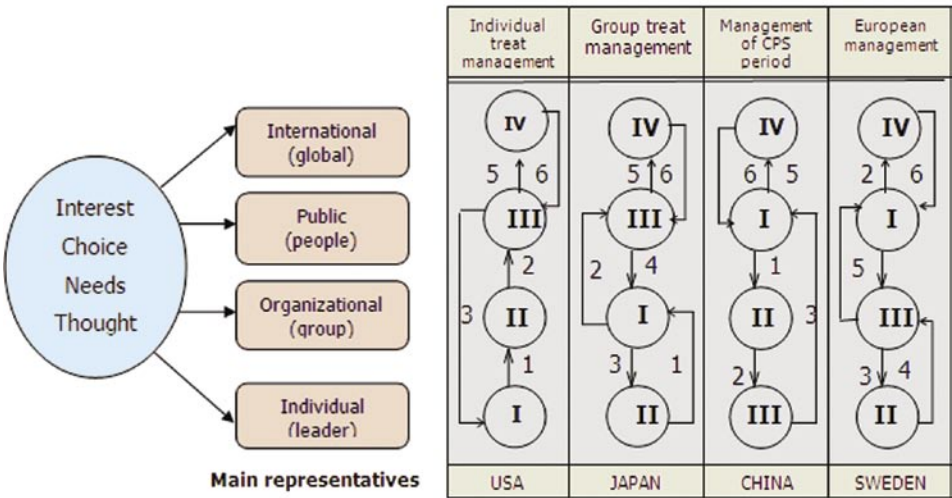


Figure 4.2. Philosophical models of management in the new century

the model and it is a mixed model that respects social interest. (figure 4.2.)

Management philosophy of Mongolia is included in “A” model of the above models which is a model of management philosophy that focuses on individual interest. The main feature of Mongolian management philosophy is management concept that regulates individual interest and choice along group’s interest and choice that are in line with social interest and choice. The social interest and choice are also ruled by national interest and choice which are also considered in line with international interest and choice. (figure 4.3.)

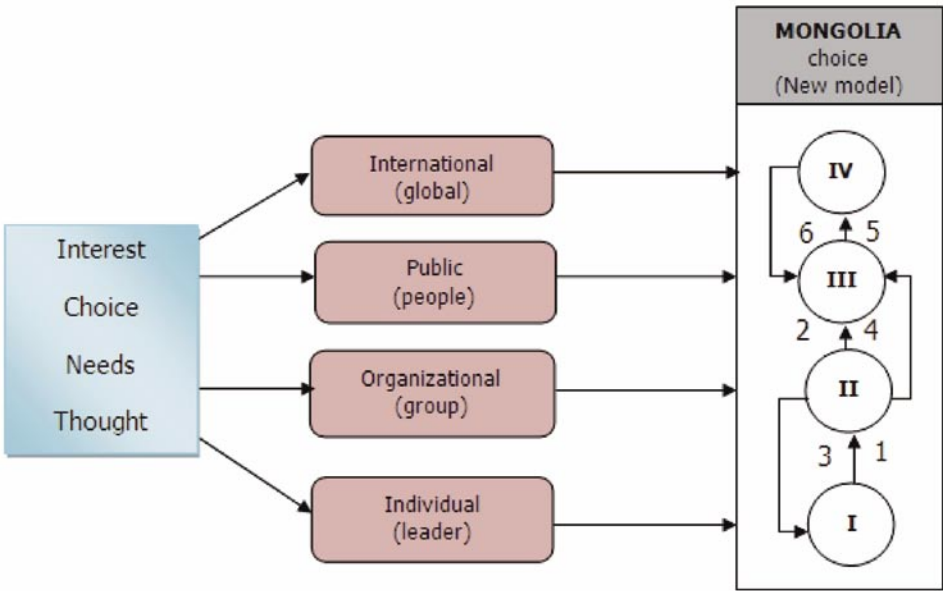


Figure 4.3. The philosophical model of management for Mongolia in the new century

Time, structure and function evolutions of Mongolian management theory shall be clarified by formulating and designing the theoretical basis of Mongolian management feature scientifically. For this purpose, we have designed “MM” theory using the following methodology.

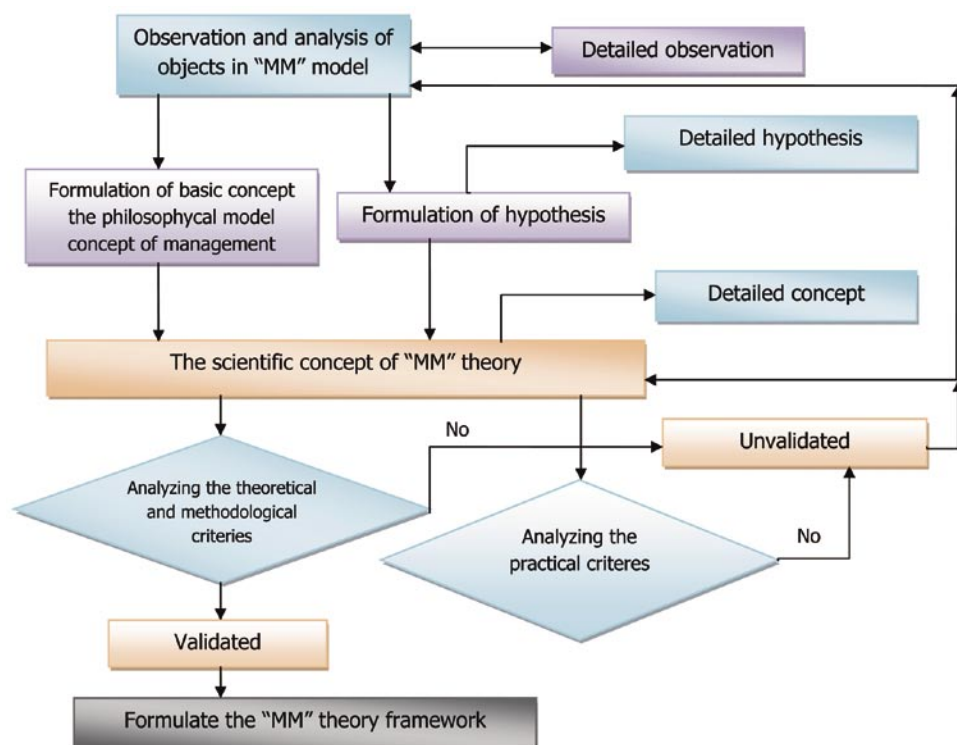


Figure 4.4. Methodology to build the “MM” theory

Logical model of management development is management relationship which manages others selecting proper management thought, concept and strategies that meet characteristics of personal, psychological and thought of Mongolians based on ecological management, development approach of global management and feature of nomadic culture. (figure 4.5).

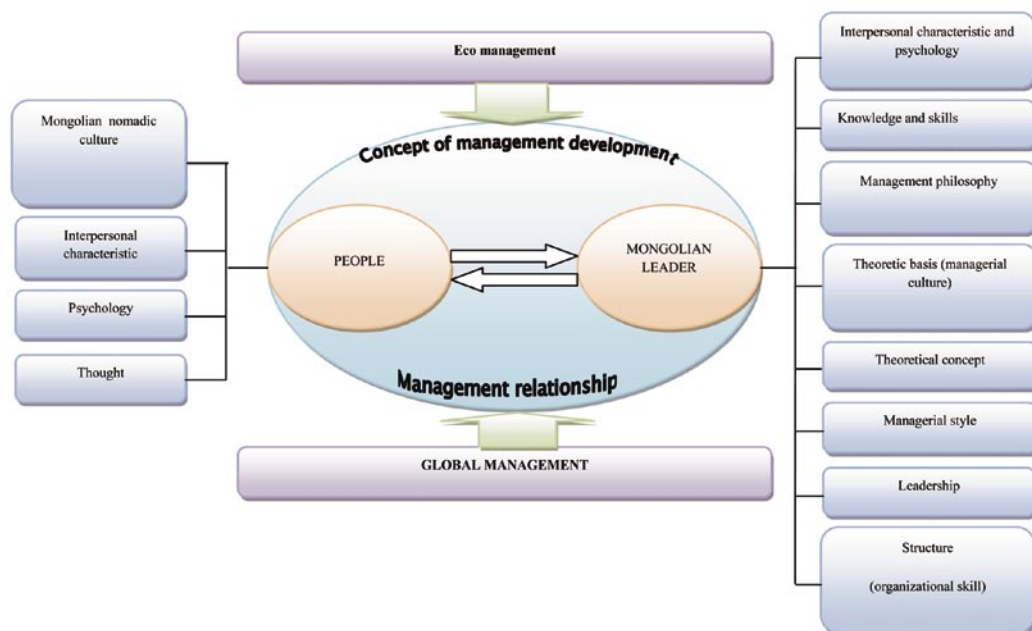


Figure 4.5. Logical model of management development in the century

We have designed a probable model of “MM” theory that based on Mongolian management feature from point of view of modern concept of management theory.

1. **Employment relationship.** The relationship covers organization, term and principle that regulate relationship between employers and employees. In the frame of the nomadic husbandry, the relationship always based on the family relation. There is a natural division of nomadic labor between males and females, and youths and elders in the traditional life-style of nomadic peoples. The men look after military and administrative activities; engage in hunting, herding the larger animals, and caravan trading; and making and repairing carts, saddles, stirrups and weapons. The slaughter of animals is also customarily restricted to the males. The work and activity of the women includes caring for the children and old folks, boiling tea, preparing meal, milking animals, sewing, doing general housework, making milk products such as cheese, butter, husking millet, working felt, making such domestic objects as cart, gathering dry dung for fuel, herding sheep and goats in the vicinity of the yurt, and taking care of the very small animals. Also, the labor division relies on geographical and weather conditions as well as changing labor types frequently. Therefore, the most important factor to promote labor production for Mongolians is **a frequent labor and environmental change**. In addition, short and middle-term employment agreement that states to assign an employee to any other position changing his/her condition as Mongolians are eager to get bored from similar frequent labors.
2. **Decision-making.** An elder who is responsible for a group of households **makes decision** on issues concern to animal husbandry discussing all together during the nomadic period. Thus, there are not many phase of Mongolian management structure and administration. In modern days, leadership is based on management that settled on

discussion.

3. **Duty. An individual is responsible for a charge** as the decision was made by a leader discussing with others. It is very different system from Japanese system in which all are responsible for a charge together.
4. **Evaluation of labor forces.** Mongolians choose a cautious elder who manages all household activities and knows custom and tradition well as a leader of their household group. It shows that the nation gives value to various **talents**. However, there are a few youths who are leading their households. Mongolians trust their managing bodies preferring their talent, skill and experience, innovation, knowledge on local area and animal husbandry and reputation more.
5. **Monitoring on decision implementation.** Mongolians are cautious about any negative information's on themselves and their business following the principles "**A good name better than riches**", "**Sticks and stones may break my bones, but words will never hurt me.**" Nomadic protect their reputation and status as well as how hard and well they worked out. As we said before negative information plays important role among nomadic. The decision was implemented to make him/her shy or faulty by their **internal control** procedure.
6. **Career management.** Mongolians consider applicants' talent, ability, skill and experience especially except his origin to promote someone to a leader of an aravt, zuut or bag. Specially, they highly valued applicants' knowledge on their land and its nature. Unfortunately, some scholars named the qualification as "thought of locality" mistakenly. The thought cannot be considered separately from human and social relation.
7. **Materialistic interest.** Like in other Asian nations, the concept of family is a wide understanding that includes parents and all relatives for Mongolia where nomadic culture dominates. Therefore, almost all Mongolians' materialistic interest can be explained as "earn for or pay family livings." Thus, status and needs of parents, relative and families were the most essential factor to work successfully and achieve good results. However, an individual interest shall be focused on more in modern management.

The above mentioned 7 key factors were studied comparatively with the methodologies of the X, Y and Z theories and then were connected to the consequences of the nomadic culture of Mongolia. The management theory that can be arisen due to the nomadic culture of Mongolians was named as "Mongolian management" or "MM".

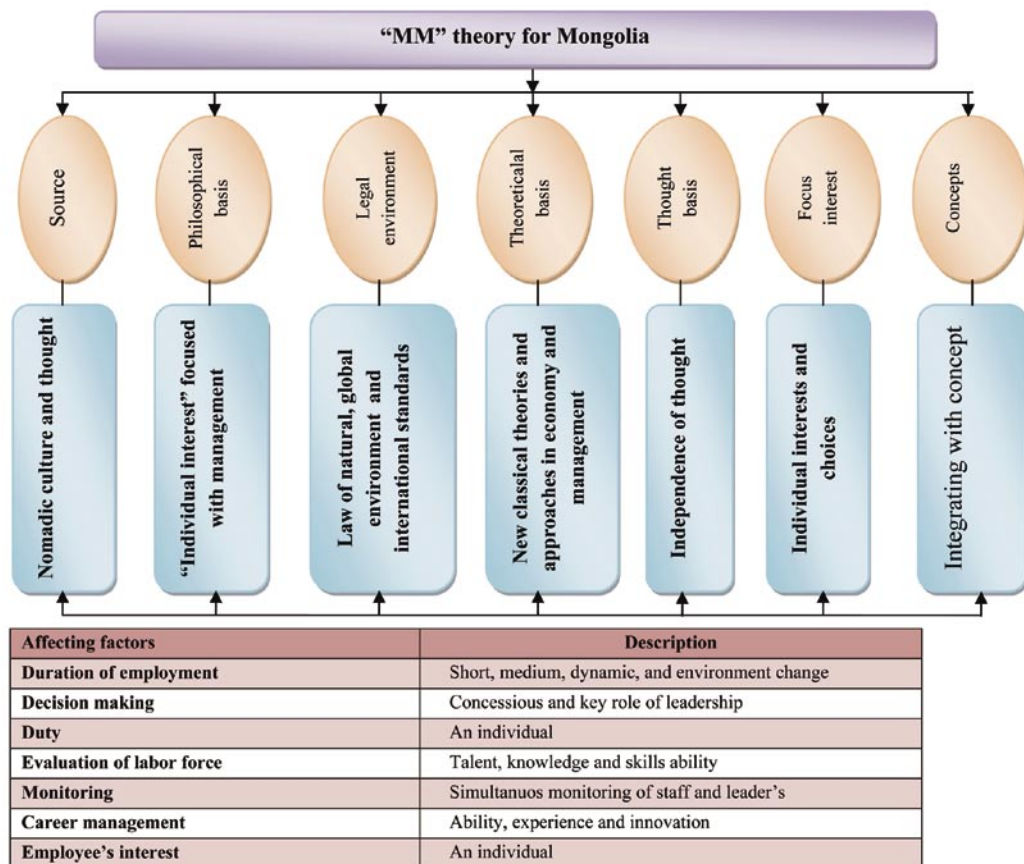


Figure 4.6. "MM" theory for Mongolia

Table 1. Comparison on key factors of X, Y and Z theories to "MM" theory

Factors	Urban civilization			Nomadic culture
	"X" theory	"Y" theory	"Z" theory	"MM" theory
Employment	Short-term	Life-long	Long-term	Short, medium, dynamic and environmental change
Decision making	An individual only	Concessious	Concessious	Concessious, key role of leader
Duty	An individual only	Group or team	An individual only	An individual
Evaluation of labor force	Speedy	Gradually	Gradually	Talent, knowledge and skills ability
Monitoring	External and formal	Internal and common	Double internal simple monitor through external formal occasions	Duplex internal with leader's monitoring
Qualification to be promoted	Focusing on profession	No focusing on profession, more focusing on age	Less focusing on profession	Ability, experience and innovation
Employee's interest	Employee only	Whole interests of an individual	Whole interests with family	Considering in individual interest

CONCLUSION

The following conclusion may be reached to base in the brief comparative study:

“MM” theory based in Mongolian management is characteristic of its nomadic culture and thought while X, Y, and Z theories based on the urban civilization.

For Mongolians who have domination of nomadic culture is not right to imitate directly foreign management theories that based on urban civilization even it can result in socio-economic dramatic consequences.

“MM” theory which originated from nomadic culture is very significant not only to lead state and private sectors of Mongolia also foreign invested and international organizations that conduct their business in Mongolia or employ Mongolians.

Designing management theory based on cultural heritage of a given nation is enormously essential for developing countries, namely for nations which are in the transition period of its development. This is why “MM” theory can work in any nation which has nomadic civilization.

REFERENCE

Mongolian:

1. Бат-Отгон. Д., “Монголчуудын гэгээрэл” Боть -I, УБ., 2010
2. Г.Пүрэвэ. “Удирдах ур чадварын хомсдол, тншнийг гэтлэн давах арга зам”. Эдийн засгийн шинжлэх ухааны дозторын (Sc.D) хураангуй : 05.02.05.-УБ.,1999-53 с / Англи хэл дээр/
3. Д.Цэрэндорж. Менежментийн сэтгэлгээ: Уламжлал, шинэчлэл, хандлагын зарим асуудал // Удирдлагын академ. Менежментийн сэтгэлгээ: уламжлал, шинэчлэл, хандлага // Төрийн удирдлагын онол, практикийн асуудлууд, УШБ, дэвтэр 5,6; УБ, 2005
4. Я.Шуурав. Менежментийн сургалтын шинэ парадигми // Удирдлагын академ. Менежментийн сэтгэлгээ: уламжлал, шинэчлэл, хандлага // Төрийн удирдлагын онол, практикийн асуудлууд, УШБ, дэвтэр 5,6; УБ, 2005

Russian:

5. Н.Хавх. “Спиралеобразования закономерности развития общества: Методологический аспект в области социальной Философии”. Дисс ... д-р. Философских наук. (Sc.D): 05.01.03.00. Защищена 24.09.1993-УБ ..1993/ Мин-во наук. и образования Монголий. Монг. гос. нац. унив-т/
6. Рашид Ад Дин. (Сборник летописей. История Монголов. История Чингис хана. 3 части. Перевод с персидского профессора И.Н. Березина. С.- Петербург, 1868)

English:

7. Atwood, Christopher P. Encyclopedia of Mongolia and the Mongol Empire. New York: Facts on File, 2004
8. Batkhural G., Dissertation work of Doctor of Science in Economics Science, “*Scientific study on the development of Mongolian management thought of economy*”, 2011
9. May, Timothy. The Mongol Art of War: Chinggis Khan and the Mongol Military System. Yardley, PA: Westholme, 2007
10. Kahn, Paul. The Secret History of the Mongols: The Origins of Chingis Khan. Boston: Cheng & Tsui, 1998